

reference to protesting any and all proposals for compulsory peacetime military training; to the Committee on Military Affairs.

1104. Also, petition of the Lincoln Electric Co., Cleveland, Ohio, petitioning consideration of their resolution with reference to welding the Liberty Bell; to the Committee on the Library.

SENATE

FRIDAY, JULY 20, 1945

(Legislative day of Monday, July 9, 1945)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

Rev. Clyde Brown, diocesan missionary of the Protestant Episcopal Church, diocese of Washington, D. C., offered the following prayer:

Almighty God, who hast given us this good land for our heritage and hast made of this Nation the cradle of freedom and good will, we beseech Thee to be present with the Members of the Senate of the United States here assembled. Guide them in all their deliberations with Thy Holy Spirit that, being freed from all error, ignorance, pride, and prejudice, their judgments may be just and equitable, not only for the people of this Nation but for all peoples; that this Nation, under God, may take its rightful place in helping to lead the troubled and war-torn world to a true and lasting peace based on justice and right to all mankind.

Give to all of us the will to do our full share in restoring the desolate and down-trodden peoples, wherever they may be, not only with sustenance for their bodies but also peace to their souls through freedom from tyranny and want and the opportunity to choose their own way of life.

All of which we humbly ask in the name of Him who gave His life that we might be free. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, July 19, 1945, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT— APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on July 14, 1945, the President had approved and signed the following acts:

S. 24. An act for the relief of the Truckee-Carson Irrigation District;

S. 100. An act to authorize an exchange of certain lands with William W. Kiskadden in connection with the Rocky Mountain National Park, Colo.;

S. 301. An act for the relief of Mr. and Mrs. James E. McGhee;

S. 454. An act to revive and reenact the act entitled "An act creating the Arkansas-Mississippi Bridge Commission; defining the authority, power, and duties of said Commission; and authorizing said Commission and its successors and assigns to construct, maintain, and operate a bridge across the

Mississippi River at or near Friar Point, Miss., and Helena, Ark., and for other purposes," approved May 17, 1939;

S. 497. An act to amend an act entitled "An act to provide for the purchase of public lands for home and other sites," approved June 1, 1938 (52 Stat. 609);

S. 501. An act for the relief of the Catholic Chancery Office, Inc.;

S. 527. An act to extend the times for commencing and completing the construction of a bridge across the St. Croix River at or near Hudson, Wis.;

S. 660. An act to transfer certain lands situated in Rapides Parish, La., to board of supervisors of Louisiana State University and Agricultural and Mechanical College;

S. 712. An act for the relief of William B. Scott;

S. 748. An act for the relief of Nita Rodlun;

S. 761. An act to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as a result of a fire in Quonset hut occupied by Eighty-third United States Naval Construction Battalion at Camp Rosseau, Port Hueneme, Calif., on December 22, 1944;

S. 812. An act to amend section 3 of the San Carlos Act (43 Stat. 475-476), as supplemented and amended, and for other purposes;

S. 822. An act to reimburse certain Navy personnel for personal property lost or damaged in a fire at Naval Base 2, Rosneath, Scotland, on October 12, 1944;

S. 824. An act to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as a result of a fire in Quonset hut E-12 at the amphibious training base, Camp Bradford, naval operating base, Norfolk, Va., on January 20, 1945;

S. 867. An act for the relief of Ruby Doris Calvert, as administratrix of the estate of Frederick Calvert, deceased; and

S. 911. An act authorizing the conveyance of certain lands to the city of Cheyenne, Wyo.

PROPOSED FULL-EMPLOYMENT LAW

Mr. WAGNER. Mr. President, as chairman of the Banking and Currency Committee, I have just received an extremely significant report on the full-employment bill, S. 380, now pending before the committee.

This report is from Mr. Henry Morgenthau, and represents his last official act as Secretary of the Treasury. "I could not leave the Treasury with a sense of having completed my work," writes Mr. Morgenthau, "without informing you of my strong support for S. 380, the so-called full-employment bill."

With regard to the extensive hearings the committee is now planning on this measure, Mr. Morgenthau makes the following statement:

The fact that you and your committee plan to come to grips with the practical side of this problem is to me highly encouraging. * * * Under the searching spotlight of public discussion and the give-and-take of congressional hearings, we often find ourselves in agreement on objectives, and practical men in Congress find a way of bridging our differences over methods. It is my earnest hope—my expectation—that this will occur in the course of your hearings on S. 380.

Concluding his report, Mr. Morgenthau states:

Prompt enactment of S. 380 will give this country—industry, agriculture, labor, and government—a definite policy with which to approach the epoch-making problems of reconversion. Delay, on the other hand, offers the spectacle of this country facing

this rapidly approaching crisis with indecision, confusion, and stop-gap emergency measures.

It is extremely significant to me that while Mr. Morgenthau ends his distinguished career as the Secretary of the Treasury with an endorsement of the full-employment bill, his successor in that high office, Mr. Fred Vinson, has also taken a position of leadership on behalf of the same proposal. In Mr. Vinson's recent report to the committee as War Mobilization and Reconversion Director, he stated that the full-employment bill is the necessary first step from which a full-dress program of economic policies to promote the well-being of our free competitive economy will stem.

Mr. President, I ask unanimous consent that Mr. Morgenthau's report on the full-employment bill, from which I have just quoted, be printed at this point in the RECORD in connection with my remarks.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

JULY 16, 1945.

Hon. ROBERT F. WAGNER,
United States Senate.

DEAR BOB: I could not leave the Treasury with a sense of having completed my work without informing you of my strong support for S. 380, the so-called full-employment bill.

I think too much time and effort have been wasted on ideological word battles over the subject of full employment. Too little time and effort have been directed to the much more difficult—and less spectacular—task of making a fair and impartial study of what industry, agriculture, labor, and government can do to give this country the best possible assurances of a sound and balanced economic structure after the war.

The fact that you and your committee plan to come to grips with the practical side of this problem is to me highly encouraging. It offers assurance of that kind of a down-to-earth examination of the facts which is characteristic of the American democratic process at its best. Under this process many of us are inclined to fuss and fume at the start over the irreconcilable attitude of our political adversaries. But under the searching spotlight of public discussion and the give and take of congressional hearings, we often find ourselves in agreement on objectives and practical men in Congress find a way of bridging our differences over methods. It is my earnest hope—my expectation—that this will occur in the course of your hearings on S. 380.

The bill impresses me as being an appropriate basis from which to commence an analysis of the problem of a prosperous post-war America—call it full employment if you like or high employment as some seem to prefer. It is particularly appropriate because it directs our initial attention to premises and operating principles. It rightly leaves for subsequent determination the formulation of actual programs for implementing the policies established in S. 380.

I am, therefore, more interested at this time in the approach of S. 380 to the problem of full employment than I am in the detail of its actual provisions. I am strongly of the opinion that government does have a definite responsibility, together with industry, agriculture and labor, for seeing to it that a sound and prosperous economy in this country is maintained—an economy that will be able to absorb profitably the honest toil of the American worker and offer full encouragement to American productive genius. The

precise terms in which this responsibility is defined in S. 380 is therefore less important in my judgment, than the fact that the responsibility is clearly defined and accepted.

I am confident that there will emerge from the careful discussions of your committee an effective procedure for discharging the responsibility thus defined.

Finally, it is my belief that S. 380 should be acted upon by your committee and the Congress with all the speed that is possible and consistent with a careful consideration of its provisions. Prompt enactment of S. 380 will give this country—industry, agriculture, labor, and government—a definite policy with which to approach the epoch-making problems of reconversion. Delay, on the other hand, offers the spectacle of this country facing this rapidly approaching crisis with indecision, confusion, and stop-gap emergency measures.

As you and I agree, our returning soldiers and those on the home front who have contributed so generously to victory deserve—yes, are entitled—to know now where their Government stands on the issue of full employment and prosperity after the war.

Sincerely,

H. MORGENTHAU, Jr.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

TRANSFER OF CERTAIN PROPERTY TO COLORADO RIVER INDIAN TRIBES AND OFFICE OF INDIAN AFFAIRS

A letter from the Secretary of the Interior, transmitting a draft of proposed legislation to transfer certain property from the War Relocation Authority to the Colorado River Indian Tribes and the Office of Indian Affairs, and for other purposes (with an accompanying paper); to the Committee on Indian Affairs.

PERSONNEL REQUIREMENTS

A letter from the Secretary of Agriculture, transmitting, pursuant to law, estimates of personnel requirements for the quarter ended June 30, 1945, for that department (with accompanying papers); to the Committee on Civil Service.

AMENDMENT OF VETERANS REGULATIONS TO PROVIDE RATES OF PENSION FOR SPECIFIC SERVICE INCURRED DISABILITIES

A letter from the Administrator of Veterans' Affairs, transmitting a draft of proposed legislation to amend the Veterans Regulations to provide additional rates of compensation or pension and remedy inequalities as to specific service incurred disabilities in excess of total disability (with an accompanying paper); to the Committee on Finance.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A letter in the nature of a petition from Ray W. Biddulph, of Jamestown, Pa., praying for an investigation of WPB Conservation Order M-221, relating to poultry and livestock feed bags; to the Committee on Banking and Currency.

A letter in the nature of a petition from William Grabamski, of Bayonne, N. J., relating to the Polish Government; to the Committee on Foreign Relations.

The petition of George W. Hurley, of Bakersfield, Calif., relating to the Kern River Valley Authority, the Kern River University, and Kilowatt College; ordered to lie on the table.

By Mr. TYDINGS:

A resolution adopted by the council of the city of Baltimore, Md., favoring the enact-

ment of Senate bill 1128, the so-called seamen's bill of rights; to the Committee on Commerce.

REPORTS OF A COMMITTEE

The following reports of a committee were submitted:

By Mr. HATCH, from the Committee on Public Lands and Surveys:

S. 504. A bill to quiet title and possession with respect to that certain unconfirmed and located private land claim known as claim of Daniel Boardman, C. No. 13, in Cosby and Skipwith's Report of 1820, certificate 749, and being designated as section 44, township 7 south, range 3 east, Greensburg Land District, Livingston Parish, La., on the official plat of said township; without amendment (Rept. No. 502);

H. R. 1992. A bill to authorize the sale of certain public lands in Alaska to the Catholic bishop of Alaska, in trust for the Roman Catholic Church; without amendment (Rept. No. 503); and

H. R. 2613. A bill to authorize the War Food Administrator or the Secretary of Agriculture to adjust boundary disputes by settling claims to certain so-called Sebastian Martin grant lands, in the State of New Mexico; without amendment (Rept. No. 504).

CLASSIFICATION OF SURPLUS REAL PROPERTY

Mr. LUCAS. Mr. President, from the Committee on Agriculture and Forestry I ask unanimous consent to report favorably the bill (S. 1224) to amend the Surplus Property Act of 1944, and I submit a report, No. 505, thereon.

Mr. President, I introduced this bill some time ago. Briefly, the purpose of the bill is to grant to former owners of real property acquired by the Government after December 31, 1929, the first priority to repurchase such property when it is declared surplus by the Government agencies by which it is held. I think that when the Surplus Property Act was passed last year, it was generally understood by Senators that former owners of agricultural land would have such a priority, but the act does not so state, and it is not construed in that way by those administering it.

The Committee on Military Affairs which has been handling surplus-property questions, has requested that this bill be referred to them for consideration. I have no objection to that, but I hope that the Committee on Military Affairs will with due haste and all convenient speed report the bill back.

The PRESIDENT pro tempore. Without objection, the report will be received, and the bill will be referred to the Committee on Military Affairs.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. WALSH, from the Committee on Naval Affairs:

Several officers of the line of the Navy to be civil engineers in the Navy, with the rank of ensign.

By Mr. HATCH, from the Committee on Public Lands and Surveys:

Thomas F. Britt, of Arizona, to be register of the land office at Phoenix, Ariz. (reappointment).

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:

Sundry postmasters.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WHEELER:

S. 1286. A bill for the relief of Sam Bechtold; to the Committee on Claims.

S. 1287. A bill to repeal certain provisions of law relating to trading with Indian tribes; to the Committee on Indian Affairs.

By Mr. THOMAS of Utah:

S. 1288. A bill to authorize the course of instruction at the United States Military Academy to be given to not exceeding 20 persons at a time from the American republics, other than the United States; to the Committee on Military Affairs.

By Mr. WAGNER:

S. J. Res. 86. Joint resolution to provide for the proper observance of the one hundred and fifty-fourth anniversary of the adoption of the first 10 amendments to the Constitution, known as the Bill of Rights; to the Committee on the Judiciary.

SEA-AIR POWER—ARTICLE BY SENATOR WALSH

[Mr. WALSH asked and obtained leave to have printed in the RECORD an article entitled "Sea-Air Power," written by him and published in the July number of Sea Power, which appears in the Appendix.]

IN-PLANT FEEDING—PAPER READ BY WILLIAM R. DAVIS

[Mr. MURRAY asked and obtained leave to have printed in the RECORD a paper entitled "In-Plant Feeding," read to the In-Plant Feeding Conference held at Bellevue-Stratford Hotel, Philadelphia, Pa., March 21, 1945, by Mr. William R. Davis, which appears in the Appendix.]

THE FEPC—ARTICLES BY LOWELL MELLETT

[Mr. CHAVEZ asked and obtained leave to have printed in the RECORD four articles by Lowell Mellett published in the Washington Evening Star, which appear in the Appendix.]

PRESERVATION OF FREEDOM IN AMERICA—EDITORIAL COMMENT ON ADDRESS BY HON. JAMES A. FARLEY

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD an editorial from the Salt Lake City Deseret News of June 29, 1945, commenting upon an address delivered in Salt Lake City by former Postmaster General James A. Farley, which appears in the Appendix.]

CALL OF THE ROLL

Mr. BARKLEY. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senator answered to their names:

Aiken	Chavez	Hoey
Andrews	Cordon	Johnson, Colo.
Austin	Donnell	Johnston, S. C.
Ball	Downey	Kilgore
Barkley	Eastland	La Follette
Bilbo	Ellender	Langer
Brewster	Ferguson	Lucas
Briggs	Fulbright	McCarran
Brooks	George	McClellan
Buck	Guffey	McFarland
Burton	Gurney	McKellar
Bushfield	Hart	McMahon
Butler	Hatch	Magnuson
Byrd	Hawkes	Maybank
Capehart	Hayden	Mead
Capper	Hickenlooper	Millikin
Chandler	Hill	Mitchell

Moore	Russell	Tydings
Morse	Saltonstall	Vandenberg
Murdock	Shipstead	Wagner
Murray	Smith	Walsh
Myers	Stewart	Wheeler
O'Daniel	Taft	Wherry
O'Mahoney	Taylor	White
Radcliffe	Thomas, Okla.	Wiley
Revercomb	Tobey	Willis
Robertson	Tunnell	Young

Mr. HILL. Mr. President, I announce that the senior Senator from Virginia [Mr. GLASS] is absent because of illness.

The Senator from Florida [Mr. PEPER] is absent because of the death of his father.

The Senator from North Carolina [Mr. BAILEY], the Senator from Alabama [Mr. BANKHEAD], the Senator from Rhode Island [Mr. GREEN], the Senator from Louisiana [Mr. OVERTON], and the Senator from Utah [Mr. THOMAS] are absent attending to public business.

Mr. WHERRY. The Senator from New Hampshire [Mr. BRIDGES], the Senator from Kansas [Mr. REED], and the Senator from Iowa [Mr. WILSON] are absent on official business.

The Senator from Idaho [Mr. THOMAS] is absent because of illness.

The PRESIDING OFFICER (Mr. HOEY in the chair). Eighty-one Senators have answered to their names. A quorum is present.

LOCATION OF PEACE CAPITAL IN UNITED STATES

Mr. WILEY. Mr. President, on July 12, 1945, I introduced, with brief comments, Senate Concurrent Resolution 20, which provides as follows:

Resolved by the Senate (the House of Representatives concurring), That the United Nations be, and hereby are, invited to locate the seat of the United Nations Organization within the United States of America.

My purpose in introducing this resolution was not to have designated any particular place within the United States which would serve as the home of the United Nations. There are many American localities which possess exceptional historical, cultural, natural, and other qualifications to become the "peace capital."

Rather, my purpose was to have the Senate and the House go on record so as to indicate, on behalf of the American people, that they feel that the seat of the world organization should be on free American soil.

Mr. President, today the Big Three are meeting at Potsdam, 10 miles west of Berlin.

What a wonderful thing it would be if President Truman could receive word soon that Congress had taken the first step, the issuance of this invitation, to insure that the permanent headquarters of the new league were on a far more democratic site than Potsdam.

The issuance of so frank and forthright an American invitation would strengthen the President's hand in his dealing with Churchill and Stalin.

It would lend added emphasis to our ratification of the United Nations Charter.

It would signify that America intends to assert her right of leadership.

It would signify that we intend to snap out of the inferiority complex which

has dogged our relationships with Europe. It would signify that we no longer intend to play a "weak sister" in world diplomacy, or "a second fiddle" to Britain, Russia, or any other power.

The New World—this beloved country of ours—made it possible to defeat the Axis. Last year, for example, we produced almost as much in the way of arms as the Axis and our allies combined. We do not discount the war effort of our gallant allies, their sacrifices in blood and treasure. But they know that without us victory would have been impossible.

Why should we not take pride in our might and in the meaning of our free institutions to the world? Why should we continue to hang back in false modesty in fear of proclaiming the glory of our works and of our free spirit?

In my previous speech, I stressed the reasons why the acorn of peace could best grow in American soil to a sturdy oak.

I cited the reasons why our America would provide the best home for the United Nations. For ours is a home where the "four freedoms" exist in fact, rather than in hope alone, where the courts are open to the humblest, where Government is the servant and not the master, where the humblest in the land can aspire to the highest political, economic and social accomplishment, where the poorest is blessed with the best things of life—freedom and opportunity.

But now let me indicate why many lands other than America should be disqualified as locations for the peace capital:

First. The peace capital must not be placed at a scene of past failures, past mistakes, past intrigues, past hates, past fears. This would rule out Geneva, Switzerland, site of the old League of Nations, however, worthy may be the qualifications of that city. It would also rule out Vienna, scene of many a past conference which failed, Vienna, which is but a shell of its former self.

Second. The peace capital must not be placed in an area which is within the orbit of dictatorship. Dictatorship is still too prevalent in the world, yes, in the Western Hemisphere it is too prevalent. The New World organization is supposed to open a new era, an era of freedom. It must not be suffocated by being placed in an area or near an area of censorship, of one-party control, of secret police.

This means, bluntly, that the new organization must not be set up within Europe, Europe, with its intense conflict of interests.

Some will say that the "Peace Capital" should not be set up within the territory of any great power, but only in that of a small power. To that I say that so long as democratic processes prevail in the United States, and every dissenting opinion has a chance to be aired, broadcast, and printed, there need be no fear of the American Government exercising influence on the world organization within its borders.

Let us not blink at these truths. Let us have the courage of our convictions, of our faith in America.

The governors of our States have expressed their faith in America. The Thirty-seventh Annual Governors' Conference unanimously passed a resolution inviting the United Nations to locate their peace capital here.

I therefore respectfully urge that immediate action be taken on Senate Concurrent Resolution 20, that this action be taken either prior to or simultaneous with our action on the United Nations Charter.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1308) for the relief of Sam Swan and Ally Swan.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 592. An act for the relief of the estate of James Arthur Wilson, deceased;

S. 714. An act to amend the act entitled "an act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," as amended; and

H. R. 1308. An act for the relief of Sam Swan and Ally Swan.

INCREASE IN LENDING AUTHORITY OF EXPORT-IMPORT BANK

The Senate resumed the consideration of the bill (H. R. 3771) to provide for increasing the lending authority of the Export-Import Bank of Washington, and for other purposes.

Mr. MURDOCK. Mr. President, it is my intention to make a very brief statement concerning the measure pending before the Senate, which is House bill 3771, to provide for increasing the lending authority of the Export-Import Bank of Washington, and for other purposes.

Mr. President, the bill to provide for increasing the lending authority of the Export-Import Bank, which was reported out unanimously by the Banking and Currency Committee, requires no lengthy explanation and should occupy the Senate but briefly. The bank itself has behind it 11 years of successful experience. It can be depended upon to continue to use its available funds to the benefit of our foreign trade. The need for additional funds is urgent, as is also the need for removing existing restrictions on loans by the bank and by private persons to countries in default on their obligations to the United States.

In the years after the war we shall have the capacity and ability to turn out a much greater volume of goods than in 1939. The United States will always be its own best customer. However, in order to attain continuing high levels of employment and production, the United States will need to look to outlets for its products on a scale vastly larger than ever before. Such outlets are already available in the markets of the many countries of the world.

In Europe and the Far East, homes have been destroyed or devastated, factories looted, transportation and communications systems wrecked, and industries closed for lack of raw materials and adequate machinery. At the same time, many large areas, not devastated by the war, are on the threshold of a new era of industrialization and development. A great need exists and a vast market awaits the output of our industry, labor, and agriculture.

Many of the countries in need of American products do not have the dollars with which to make their purchases in the United States. Lend-lease aid is not available for reconstruction purposes. Help will not be immediately provided by the new International Bank for Reconstruction and Development, because it will not be in operation for some time to come. Many of our exporters, businessmen and farmers, large and small, do not have sufficient resources to extend the credit terms that are needed to enable them to sell to the largest market that ever awaited their goods. Other uncertain economic conditions resulting from the war have created risks which private capital alone may be unwilling or unable to assume in the period ahead.

The committee believes that it is to our advantage to sell to other countries the products of our industries and farms for the purposes of reconstruction and development. This Nation has always found that its best customers were the countries whose standards of living were high, and whose industries were well developed. With production facilities rebuilt or expanded, other countries will be able to sell their goods to us, to service and pay their debts more readily, and to buy more goods from us.

An important byproduct will be the benefits which this country and the world will receive in terms of world peace and political and economic stability. Closed factories, idle capital, and widespread unemployment breed war and rebellion as well as depression. They cause economic chaos and instability which will always constitute grave threats to the peace of the world and to democracy. Financial help from abroad is necessary to stabilize the war-devastated countries economically and to start them on the road to recovery.

We believe that the increase in the lending authority of the bank proposed in H. R. 3771 is necessary to enable the Export-Import Bank to expand the assistance it has given in facilitating the foreign trade of the United States through the financing of development projects abroad, and also to undertake part of the urgent new task of financing reconstruction in Europe and other devastated areas. The proposed legislation will also permit the Export-Import Bank to carry out the President's recommendation that it finance portions of the 3 (c) lend-lease agreements.

The Export-Import Bank has engaged during the past 11 years in a considerable variety of operations to help our exporters and importers. It has maintained a desirable flexibility in its operations in order that it might meet the needs of both large and small exporters and offer new facilities to foreign traders

as changing conditions require. It has done this through the extension of credit to United States exporters and importers to finance specific export and import transactions. For example, an individual exporter comes to the bank and indicates that he has an opportunity to sell certain equipment, say machinery, or certain materials, such as raw cotton, to a foreign buyer. However, the commodity is of such a character or customary terms are such that either short- or medium-term credit is required. The applicant represents that he cannot himself provide the credit, usually because of his limited capital resources. He represents further that the credit is of such a character or in such an amount that commercial banks to which he has applied are not in a position to assist him to the extent required. Under these conditions, the Export-Import Bank, after a full investigation of the facts in the case, may extend a credit to help him.

The Export-Import Bank is faced at present with a heavy demand for this type of credit for reasons which will be apparent. Foreign markets which have been partially or completely closed during the war are being reopened. Pent-up demands for our products, especially for capital equipment requiring extended terms of payment, is on an unprecedented scale. Furthermore, it will be necessary for American exporters, if they are to expand their markets to meet postwar demands, to extend credits.

I think there will be no dissent from the view that the Export-Import Bank should be given resources adequate to enable it to engage in the financing of foreign trade of the type which I have just described. It is a strictly commercial type of business undertaken at a reasonable risk, and the benefits to our foreign trade and to our whole economy are obvious.

I take it that Senators are generally familiar with the history of the Export-Import Bank. The bank was established in 1934. Its record during the 11 years that it has been in existence has been an outstanding one. Although the operations of the bank have been on a relatively small scale—partly because of its limited resources and partly because it has assiduously avoided taking business away from private institutions—the bank has been nevertheless completely self-supporting and has accumulated a reserve against possible losses. The avoidance of competition with private lending institutions has been a basic principle governing the bank's activities.

The Bretton Woods legislation has wisely provided for a National Advisory Council which will coordinate the activities of the Export-Import Bank and the policies of our representative on the International Bank. The present bill provides for an Advisory Board to the Export-Import Bank composed of the same persons who constitute the National Advisory Council. Moreover, the Congress itself will have full opportunity periodically to review the operations of the Export-Import Bank.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. MURDOCK. I yield.

Mr. TAFT. On the question which the Senator has just raised, as to the powers of the Advisory Board, in the bill which we passed yesterday there is set up a board composed of the Secretary of the Treasury as Chairman, the Secretary of State, the president of the Export-Import Bank, the Secretary of Commerce, and the head of the Federal Reserve Board, who are given power to direct the activities of the representative of the United States on the Fund and Bank, and also to coordinate with them the activities of the Export-Import Bank. As I read that provision, that Board probably has power to issue directives to the Export-Import Bank with respect to policy, and perhaps with respect to particular loans. In this bill we have the same Board or committee set up, except that now the head of the Export-Import Bank is chairman, instead of the Secretary of the Treasury, and the Board seems to be given only advisory power. Does the Senator think that the fact that the Board created by the pending bill would have only advisory powers in any way modifies the power given to the Board in the bill passed yesterday over all foreign lending by the United States?

Mr. MURDOCK. As I understand and construe the provisions in the new bill, there is no conflict whatever. As the Senator has stated, we have the identical personnel on both Advisory Boards. However, the Secretary of the Treasury is Chairman of one Board and the President of the Export-Import Bank is chairman of the other Board. It is my opinion that the Board established under the Bretton Woods bill is given full power to coordinate the functions of the International Bank and the functions of other lending agencies serving similar purposes, including the Export-Import Bank. Suppose there were an overlapping of functions as between the International Bank and the Export-Import Bank. It is my position that in a situation of that kind the Board set up to coordinate activities could direct the Export-Import Bank to cease certain types of loans, let us say, which are overlapping or duplicating loans made by the International Bank. But it seems to me that there is no conflict, and that there can be no conflict between the functions of the Board advising the International Bank and the Board, consisting of the same personnel, advising the Export-Import Bank. I can see no conflict.

Mr. TAFT. I should like to have it understood that the bill in no way modifies the provisions of the bill passed yesterday. As I understand the Senator's statement, whatever powers were given to the Board in the bill relating to Bretton Woods would not in any way be modified by the passage of this bill today. Is that true?

Mr. MURDOCK. That is my opinion.

Mr. TAFT. I think it is very important that the powers which we gave to the Board yesterday to coordinate all foreign lending of the United States should not be impaired. As I understand the Senator, he says that it is not the intention by this bill to impair whatever powers were given in the bill passed yesterday.

Mr. MURDOCK. That is my position, and I am glad to be in agreement with the Senator.

The need for quick action on the bill before us arises from the fact that the Export-Import Bank has virtually exhausted its loanable funds. As of June 30, it had outstanding loans of \$214,000,000 and undisbursed commitments of \$336,000,000. The sum of these two items is \$550,000,000, or only \$150,000,000 less than the maximum amount of loans which the bank is permitted to have outstanding under existing legislation. In the meantime, the bank has authorized additional credits amounting to approximately \$100,000,000 and has before it for consideration a number of other projects which are being held in abeyance because of lack of funds.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. MURDOCK. I yield.

Mr. LANGER. Has the Senator with him a list of such loans, showing who owes the money?

Mr. MURDOCK. I have not a list of them.

Mr. LANGER. Are the loans owed to us by foreign governments or foreign corporations?

Mr. MURDOCK. I should say that the loans could be owing to us from foreign corporations or foreign governments; but I think the Senator will find—at least, it is my assumption—that the large bulk of the loans consists of loans to our own importers and exporters. The very purpose of the bank is to support and increase, wherever possible, the foreign trade of the United States.

Mr. LANGER. The reason I ask the question is that it is claimed that the bank has made a profit.

Mr. MURDOCK. That is true.

Mr. LANGER. What I wish to know is whether the Senator's committee has checked over the loans to find out whether or not there are some bad loans among them.

Mr. MURDOCK. I think there are some bad loans admitted by the bank, and my information is that the total is about \$250,000.

Mr. LANGER. Of bad loans?

Mr. MURDOCK. Of bad loans, but which the bank feels may be worked out and something realized from them.

Mr. LANGER. Did the Senator's committee go over the loans at the time it considered the proposed legislation?

Mr. MURDOCK. Not the individual loans.

Mr. LANGER. I notice that a report must be made every 6 months.

Mr. MURDOCK. Yes.

Mr. LANGER. Does the Senator's committee receive the report, or does it go to the Secretary of the Treasury and the President?

Mr. MURDOCK. I am advised that the report goes not only to the Secretary of the Treasury, but also to the Congress; and I assume it is addressed to the Secretary of the Senate or to the Presiding Officer.

Mr. LANGER. I so assumed; and I wondered why we could not obtain a copy of that report.

Mr. MURDOCK. I think the Senator can obtain a copy. I will take it upon myself to see that he gets it.

Mr. LANGER. But the Senator does not have a copy of the report with him, does he?

Mr. MURDOCK. I do not have it with me.

Mr. President, the shortage of loanable funds is one of the two principal present obstacles to the effective operation of the Export-Import Bank. The other is the restriction in existing law on loans by the Bank to countries in default on their obligations to the United States and the related prohibition of the Johnson Act on private credits to such governments. The law applicable to the Bank prevents it from assisting certain European countries during the initial stages of their reconstruction and, by the same token, prevents it from helping to reopen these markets to American exporters. The law applicable to private persons prevents private banks from participating with the Export-Import Bank in financing trade with these countries regardless of the soundness of their credit or the extent of their need for assistance.

I pass over the other features of the bill with only brief comment. It provides for a change in the management of the Bank so that it will be run by a board of five directors, including the Foreign Economic Administrator and the Secretary of State, and three full-time directors to be appointed by the President with the advice and consent of the Senate. It provides that the Bank shall be an independent agency of government and forbids the transfer of any of its functions or powers to any other agency of government except by act of Congress. It provides that the Bank shall be provided with capital of \$1,000,000,000 to be subscribed by the United States and that it may sell its obligations to the Treasury in an amount not to exceed two and a half times its capital stock. It further provides that the Bank may not have outstanding at any one time loans and guarantees in excess of three and one-half times its capital stock, or \$3,500,000,000.

Finally, Mr. President, the bill provides for complete and detailed semi-annual reports to the Congress on its operations.

Because of the urgency of the need, I urge the Senate to pass the bill without delay.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD the report of the Committee on Banking and Currency on the bill.

There being no objection, the report (No. 490) was ordered to be printed in the RECORD, as follows:

The Committee on Banking and Currency, to whom was referred the bill (H. R. 3771) to provide for increasing the lending authority of the Export-Import Bank of Washington, and for other purposes, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

GENERAL STATEMENT

The bill lays down the policy of Congress with respect to the loans of the Export-Import Bank; reorganizes the management of

the bank; establishes it as an independent agency of government; increases the lending authority of the Bank and changes the method by which it obtains its funds; and removes certain restrictions on its operations.

The increase in the lending authority of the Export-Import Bank proposed in this legislation is necessary to enable the Bank to expand the assistance it gives in facilitating the foreign trade of the United States through the financing of exports and imports and development projects abroad, and also to undertake part of the urgent new task of financing reconstruction in Europe and other devastated areas.

The testimony presented to the committee shows that the Export-Import Bank has virtually exhausted its loanable funds. As of June 30, 1945, the Bank had outstanding loans of \$214,000,000 and undisbursed commitments of \$336,000,000. The sum of these amounts, \$550,000,000, was only \$150,000,000 less than the maximum amount of loans which it may have outstanding under existing legislation. Applications presently under consideration involve amounts sufficient to exhaust this remaining balance.

In the face of this shortage of funds, heavy demands are being made upon the Bank for the extension of credit. These demands come principally from two directions. On the one hand, American exporters, perceiving the opportunities for increasing their export business on a commercial basis because of the accumulated foreign demand for our products and the partial relaxation of export controls in the United States, are actively soliciting business in foreign countries. They find themselves, as before the war, under the necessity of selling on terms appropriate to the type of commodity involved, the ability of the foreign buyer to pay, and the competition offered by competing suppliers. Under these conditions, exporters are applying in increasing numbers to the Export-Import Bank for credit assistance which is not obtainable from private banks. The Bank should be in a position to meet these demands.

At the same time, governments of foreign countries and their agencies are coming to the bank seeking financial assistance for the purchase of American equipment and materials to be used in connection with reconstruction and development projects. Insofar as the Latin-American countries are concerned, this is a function which the Export-Import Bank has performed for a number of years on an increasing scale and one which it should be in a position to continue in the interest both of creating immediate markets for our products and of so strengthening the economies of the Latin-American countries that they will be steadily growing markets for American goods.

The problem with respect to the liberated countries of Europe becomes daily more urgent. These countries cannot expect, under the established policies of this Government, to receive via lend-lease equipment and materials for the restoration of their economies. Although some of the countries have limited resources of their own which can be used to finance purchases in the United States in part, their requirements are large and there are other claims upon these resources which must be satisfied. Furthermore, it will naturally be some time before they are in a position to export goods and services as a means of paying currently for what they buy from the United States and other suppliers.

The demands upon the Export-Import Bank both from our own foreign traders wanting to reopen markets abroad and from foreign countries wishing to renew their purchases from the United States can be met, provided only suitable financing is available. In view of the fact that it is an established operating agency of Government with 11 years of successful experience behind it, the Export-Import Bank would seem to be the obvious

vehicle for the financing on a sound basis of our foreign trade to the extent that private financing is not available.

It cannot be emphasized too strongly that the maintenance of foreign markets for our products through adequate private and governmental financing will materially ease the problem of reconversion in the United States. This follows from the fact that the products which are most in demand by foreign countries are the products produced by the very industries which have been most expanded during the war. Domestic manufacturers applying to the Export-Import Bank for assistance in financing their foreign sales have repeatedly indicated that, unless markets for their products can be found in foreign countries, they will be obliged because of the decline in domestic demand for war purposes to curtail their operations or in many instances to close down altogether.

The committee has considered the relation between the past and future operations of the Export-Import Bank and other activities authorized or about to be authorized by Congress with a bearing on the financing of foreign trade. These other activities will not remove the necessity for the operations of the Export-Import Bank contemplated under this legislation.

Funds of UNRRA are to be used strictly for relief purposes and not for the financing of our foreign trade during the period of reconstruction which lies ahead. Lend-lease will not be used for reconstruction in Europe or elsewhere, and therefore does not in any sense meet the rehabilitation problems of the liberated countries. It might be noted that the present bill will permit the Export-Import Bank to carry out the President's recommendation that it finance portions of the 3 (c) lend-lease agreements.

So far as the Bretton Woods institutions are concerned, it should be recognized that, although the proposed International Bank may eventually be the principal avenue for dollar credits to foreign countries for reconstruction and development, it will not be in effective operation for many months. Furthermore, even after the International Bank is in full operation, there will undoubtedly be a need for a strictly national agency in the field of foreign-trade financing. This is partly because there are certain types of financing in which the International Bank will not engage and partly because there are certain national purposes to be served through an institution such as the Export-Import Bank. The operations of the Export-Import Bank and the policies of our representatives in the International Bank will be coordinated by the National Advisory Council already provided for in the Bretton Woods legislation.

HISTORY AND ORGANIZATION OF THE EXPORT-IMPORT BANK

The Export-Import Bank of Washington was established in 1934 by Executive order to help promote the recovery of our foreign trade.

The Congress continued the Bank as an agency of the United States in January 1935 and gave it, in addition to its powers in the charter, certain additional powers to be exercised for the purpose of aiding in the financing and facilitating of exports and imports and the exchange of commodities between the United States and other countries. Through subsequent legislation, the Congress continued the bank until January 22, 1947.

When the Bank was created there was no limitation imposed by law upon its lending authority. In 1939 the Congress provided that loans outstanding at any one time should not exceed \$100,000,000. The limit was increased to \$200,000,000 in March 1940 and to \$700,000,000 in September 1940.

From 1934 until July 1939 the Bank operated as an independent agency. In 1939 the Bank was made a part of the Federal Loan Agency under Reorganization Plan I

and in 1942 the Bank was placed by Executive order under the office of the Secretary of Commerce. In July 1943 it was transferred to the Office of Economic Warfare and later in the same year to the Foreign Economic Administration. The operations of the Bank have continued to be administered by its president subject to the direction of the Foreign Economic Administrator and the board of trustees of the Bank under the chairmanship of the Administrator.

The Bank has presently outstanding \$1,000,000 of common stock issued jointly to the Secretaries of State and Commerce and \$174,000,000 of preferred stock sold to the Reconstruction Finance Corporation. The Bank has obtained all of its funds from the Reconstruction Finance Corporation with the exception of the original \$1,000,000 from the Secretaries of State and Commerce and such funds as it derived from its earnings.

Under its charter, the Bank is controlled by a board of 11 trustees elected annually by its shareholders subject to the approval of the President of the United States. In the interim between board meetings the powers of the board are exercised by an executive committee of 7 trustees. Loans are made only after formal authorization by the board of trustees or the executive committee.

The Bank has engaged in a wide variety of transactions to carry out the fundamental purposes of Congress of promoting the export and import trade of the United States either directly or indirectly. It has extended short-term loans to finance United States agricultural and industrial exports and medium- and long-term loans to other countries for development projects, has guaranteed export credits, has underwritten letters of credit, and has extended lines of revolving credit to small United States exporters and importers. The activities of the Bank have been limited to financing of a character or an amount not obtainable solely from private sources, to avoid competition with private institutions.

From its organization to June 30 of this year, the Export-Import Bank had authorized loans aggregating \$1,269,000,000. Of these total authorizations, \$429,000,000 were canceled either because the applicants found they did not require them or arranged to obtain necessary credits from private sources. Actual disbursements have amounted to \$504,000,000, of which \$290,000,000 have been repaid.

Returning a profit is not the major objective of the Bank. Nevertheless, it is the policy of the Bank's management not only to meet all administrative expenses out of earnings, but also to accumulate a reasonable reserve against possible losses and thus keep the agency self-sustaining. The earnings of the Bank from its organization to date, after payment of all administrative expenses, have amounted to approximately \$42,000,000. The Bank has paid dividends of over \$18,000,000 on the present stock held by the Reconstruction Finance Corporation. This leaves undivided profits of about \$24,000,000.

The committee is not aware of any substantial opposition to the proposed increase in the lending authority of the Export-Import Bank. It is especially notable that the legislation has the active support of the private banking community.

EXPLANATION OF THE BILL BY SECTIONS

Section 1

Section 1 provides that the act may be cited as the "Export-Import Bank Act of 1945."

Section 2

Section 2 deals with the powers of the Bank and states the policy of Congress with respect to loans to be made by the Bank.

Subsection (a) continues the existing Export-Import Bank of Washington, a banking corporation organized under the laws of the District of Columbia, as an agency of the United States. It continues the existing powers under the Bank's charter and re-

states and clarifies the power conferred upon the Bank by statute to make loans, to discount, rediscount, or guarantee notes, drafts, bills of exchange, and other evidences of debt or to participate in the same for the purposes of promoting the foreign trade of the United States.

Subsection (b) provides that it is the policy of the Congress that the Bank in the exercise of its functions should supplement and encourage and not compete with private capital, and that loans, so far as possible consistently with carrying out the purposes of subsection (a), shall generally be for specific purposes, and in the judgment of the Board of Directors, offer reasonable assurance of repayment.

Section 3

Section 3 provides for the management of the Bank.

Subsection (a) (1) establishes by law the Board of Directors of the Bank which is to consist of the Foreign Economic Administrator as chairman, the Secretary of State, and three persons appointed by the President with the advice and consent of the Senate. The Secretary of State may, to such extent as he deems it advisable, designate to act for him in the discharge of his duties as a member of the Board any officer of the Department of State who shall have been appointed by and with the advice and consent of the Senate.

Subsection (a) (2) provides that if the Foreign Economic Administration ceases to exist in the Office for Emergency Management in the Executive Office of the President, the Administrator of the Foreign Economic Administration will no longer be a member of the Board, and the President is to appoint a member to take his place. In that event the Chairman of the Board will be designated by the President.

Subsection (a) (3) requires that not more than three directors may be members of any one political party. The term of each of the appointed directors is to be 5 years and the salary \$12,000 per annum unless the director is an officer of the Bank in which event he may elect to receive the salary of such officer.

Subsection (b) provides that a majority of the Board of Directors shall be a quorum.

Subsection (c) empowers the Board of Directors to adopt such bylaws as are necessary for the management and functioning of the Bank.

Subsection (d) establishes an advisory board with the same composition as the National Advisory Council on International Monetary and Financial Problems provided for in the Bretton Woods Agreements Act, except that the chairman of the Board of Directors of the Bank serve as Chairman in lieu of the Secretary of the Treasury.

Subsection (e) provides that until October 31, 1945, or until two of the appointed members of the Board of Directors have qualified, whichever is the earlier, the affairs of the Bank shall continue to be managed by the existing board of trustees.

Subsection (f) establishes the Bank as an independent agency of the United States Government and provides that its functions, powers, and duties shall not be transferred or consolidated with any other department, agency, or corporation of the Government unless the Congress shall otherwise by law provide.

Sections 4 and 5

Sections 4 and 5 provide for the capital structure of the Bank.

A capital stock of \$1,000,000,000 is authorized. Outstanding common and preferred stock is to be surrendered to the Bank and canceled. The Secretary of the Treasury is to pay the Reconstruction Finance Corporation the par value of the preferred stock which the Reconstruction Finance Corporation will surrender. Of the authorized amount of capital stock of \$1,000,000,000,

payment for \$175,000,000, equivalent to the par value of the outstanding preferred and common stock, will be made by the surrender of such stock. Payment for the balance, \$825,000,000, will be made by the Secretary of the Treasury at the call of the Board of Directors of the Bank. Authorization is given to the Secretary of the Treasury to finance these payments as public-debt transactions.

Section 6

Section 6 authorizes the Bank to issue obligations for purchase by the Secretary of the Treasury in an amount not to exceed \$2,500,000,000. The Secretary of the Treasury is authorized to finance these purchases as a public-debt transaction.

Section 7

Section 7 provides that the Bank shall not have outstanding at any one time loans and guaranties in an aggregate amount in excess of three and a half times the authorized capital stock of the Bank.

Section 8

Section 8 provides that the provisions of the existing charter relating to the term of existence of the Bank, its management, and to its capital stock are superseded by this legislation, and exempts the Bank from complying with any law relating to the amendment of certificates of incorporation or to the retirement or increase of stock of District of Columbia corporations and from the payment of fees or taxes to the District of Columbia in connection with the capital stock of the Bank.

Section 9

Section 9 requires the Bank to transmit semiannual reports of operations as of the close of business on June 30 and December 31 of each year.

Section 10

Section 10 repeals existing legislation pertaining to the Bank contained in section 9 of the act of January 31, 1935, as amended.

Section 11

Section 11 relieves from the prohibition against loans to foreign governments in default on their obligations to the United States Government as of April 13, 1934, contained in the Johnson Act, any person, including any individual, partnership, corporation, or association, who acts for or participates with the Bank in any operation or transaction or acquires any obligation issued in connection with any operation or transaction engaged in by the Bank.

Mr. MURDOCK. Mr. President, I also ask unanimous consent to have printed at this point in the RECORD a telegram from Eugene P. Thomas, president of the National Foreign Trade Council, Inc., to the Senator from New York [Mr. WAGNER], chairman of the Committee on Banking and Currency.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

NEW YORK, N. Y., July 16, 1945.

Hon. ROBERT F. WAGNER,

Chairman, Senate Banking

and Currency Committee,

Senate Office Building,

Washington, D. C.

The National Foreign Trade Council through its executive committee at a meeting today endorses and recommends the approval by the Senate of legislation to provide for increasing the lending authority of the Export-Import Bank of Washington, and for other purposes, as provided in bill H. R. 3771 already approved by the House of Representatives.

Included in this endorsement the council especially recommends the policy under which the functions of the Bank would be exercised as stated in section 2 paragraph (B). We re-

quest that this endorsement be made a matter of record, as a part of the hearings of your committee on this legislation.

EUGENE P. THOMAS,
President National Foreign Trade
Council, Inc.

Mr. LANGER. Mr. President, will the Senator yield for several questions?

Mr. MURDOCK. I yield.

Mr. LANGER. I am very friendly to this Bank and I wish to have the Senator know that I intend to vote for the bill.

Mr. MURDOCK. I am glad to hear that.

Mr. LANGER. I simply wish to obtain some information. I should like to know what rate of interest is charged to the exporters and importers.

Mr. MURDOCK. I am advised that the average interest rate is approximately 4 percent.

Mr. LANGER. Very well. I notice in the very last paragraph of the report, on section 11, the statement that section 11 of the bill "relieves from the prohibition against loans to foreign governments in default on their obligations to the United States Government as of April 13, 1934, contained in the Johnson Act, any person," individual, partnership, and so forth, "who acts for or participates with the Bank" in such connections.

Let me say that I understand that at the present time England cannot borrow any money from us because of the provisions of the Johnson Act, because England is one of the defaulting nations. But suppose England organizes a corporation corresponding to the RFC in this country. Could that corporation borrow?

Mr. MURDOCK. Yes; I should say that, under the provisions of this bill, when it is enacted, such a corporation would be able to borrow from the Bank.

Mr. LANGER. So for all practical purposes the Johnson Act would be repealed, would it not?

Mr. MURDOCK. So far as it affects the Export-Import Bank or private individuals, associations, or corporations cooperating with or participating with the Export-Import Bank, it would be repealed by this measure.

Mr. LANGER. Can the Senator tell me whether Russia is one of the defaulting nations?

Mr. MURDOCK. I am advised that Russia is one of the defaulting nations.

Mr. LANGER. That is my recollection; as I recall, the Government prior to the present Russian Government defaulted.

So, Mr. President, if Russia wished to obtain some money with which to buy machinery to use in manufacturing machinery, she could, in obtaining from the Export-Import Bank a loan with which to buy the machinery in this country, obtain that money up to the amount which the Board of Directors might authorize; is that correct?

Mr. MURDOCK. That is correct.

Mr. LANGER. What would be the largest amount which Russia could obtain, provided she got all of it?

Mr. MURDOCK. The total limit on the obligations which the Bank can have outstanding is to be \$3,500,000,000.

Mr. LANGER. How does the Senator arrive at that figure?

Mr. MURDOCK. That is provided in the bill. It is spelled out in the bill. I read section 7 of the bill:

The Export-Import Bank of Washington shall not have outstanding at any one time loans and guaranties in an aggregate amount in excess of three and one-half times the authorized capital stock of the Bank.

The authorized capital stock of the Bank under the bill is \$1,000,000,000.

Mr. LANGER. I refer to section 6, line 17, page 7, providing that—

The aggregate amount of such obligations outstanding at any one time shall not exceed 2½ times the authorized capital stock of the Bank.

So, as I understand, \$1,000,000,000 would be the capital stock, and 2½ times that would be \$2,500,000,000 more, which would be notes and debentures in the Treasury, which would make a total of \$3,500,000,000. Is that correct?

Mr. MURDOCK. That is correct.

Mr. LANGER. So this Board could loan the entire \$3,500,000,000, if it cared to do so to one country, or it could divide it up, or it could do whatever it wished to do under the terms of the law, provided it thought what it did would be in the best interests of the exporters and importers of this country; is that correct?

Mr. MURDOCK. I think that could be done. But certainly we cannot assume that any bank serving under the act would engage in that type of activity.

Mr. LANGER. Of course, we would not expect the Bank to do so. I cited an extreme case.

Now I should like to discuss the bad loans.

Mr. MURDOCK. They aggregate \$250,000.

Mr. LANGER. What is the nature of the bad loans; can the Senator tell me?

Mr. MURDOCK. I am not advised. Perhaps the general counsel of the Bank can inform me about that.

Mr. LANGER. I am interested in knowing whether the money is owing from private concerns or from governments.

Mr. MURDOCK. I am advised that all the loans in default are owing from private concerns.

Mr. LANGER. Are they private concerns organized in the United States? Are they United States concerns, or are they foreign concerns?

Mr. MURDOCK. I am advised that there is one small loan to a foreigner, and the rest of them are loans to individuals and corporations in the United States.

Mr. LANGER. Mr. President, will the Senator yield further?

Mr. MURDOCK. I yield.

Mr. LANGER. I should like to know whether any country is favored in the rates of interest. I understand that the Board can fix the rates of interest.

Mr. MURDOCK. Yes.

Mr. LANGER. For example, is England favored by having a lower rate of interest than Ethiopia has, or does the Board make a rule that all foreign governments shall pay the same rate of interest?

Mr. MURDOCK. I hardly see how such a procedure as that would be possible, because the loans are made, not exclusively to governments, but to individual exporters and importers of all countries who are eligible. I would imagine that probably there are different rates of interest in existence, but I am not fully advised as to that. We can ask the counsel of the Bank that question.

Mr. LANGER. I mean, are the exporters and importers of England, for example, given a lower rate of interest than the exporters and importers of Ethiopia?

Mr. MURDOCK. As I have explained to the Senator, there is no uniform interest rate. However, I am advised by counsel for the Bank that the Bank itself aims to discriminate in no way; but if there is a different interest rate in one country as distinguished from another country, loans may be made to borrowers of that country at a higher or lower rate, let us say, than to the borrowers of the other country.

Mr. LANGER. When a loan is made, does the Bank take any collateral as security?

Mr. MURDOCK. Yes.

Mr. LANGER. Can the Senator give us an example of a typical loan?

Mr. MURDOCK. The Bank takes whatever security is offered by the borrower—his notes, securities, or whatever collateral he may offer or may have. But certainly if loans are made without the pledging of some security.

Mr. LANGER. Suppose a concern wished to buy machinery with which to build a hydroelectric plant. That machinery would be shipped out of this country, of course.

Mr. MURDOCK. That is true.

Mr. LANGER. Am I to understand that the Export-Import Bank would have a mortgage on that machinery?

Mr. MURDOCK. I should think a mortgage on machinery shipped to another country would be wholly useless.

Mr. LANGER. That is correct. What security would the Bank have in that case?

Mr. MURDOCK. In my opinion, as I explained in my previous statement, that would work in the following way: Let us consider, as an example, electrical machinery, and let us assume that the Westinghouse Co. or the General Electric Co. or Allis-Chalmers or some other manufacturer of such machinery had an order from, let us say, Brazil, Czechoslovakia, or any other country, for 100 generators. It may be that an exporter here would be unable to finance the whole transaction and would be unable to obtain private capital, which is always a prerequisite, as I understand, under the policy of the Bank, namely, that if the credit can be arranged through a private bank or private agency of any kind, then of course the Export-Import Bank will not come into the picture. But if the exporter in this country convinces the Bank that he is unable to carry the entire credit load of the transaction at the time, and is unable to get private capital or to obtain credit through a private bank, then he will come to the Export-Import Bank. The Bank will make or guarantee the loan,

and will take securities from that exporter in the form of mortgages or other collateral in this country which, of course, could be used in case of a default in satisfying his obligations.

Mr. LANGER. Will the Senator yield for one more question?

Mr. MURDOCK. I yield.

Mr. LANGER. How often does the Board meet?

Mr. MURDOCK. The Board meets at the call of the Chairman.

Mr. LANGER. As a practical matter, how often does the Board meet?

Mr. MURDOCK. I am advised that the Board meets every week or two.

Mr. LANGER. How many employees does the Bank have?

Mr. MURDOCK. It has 60 employees.

Mr. LANGER. Are they all in this country?

Mr. MURDOCK. They are all in this country.

Mr. LANGER. Is there any effort being made by the Export-Import Bank to send persons to foreign countries for the purpose of working up business?

Mr. MURDOCK. I am advised that no such procedure as that has ever been engaged in by the Bank.

Mr. LANGER. If we are going to help foreign trade would it not be advisable for the Bank to have someone in Mexico or South America, for example, seeking business just as England seeks it?

Mr. MURDOCK. That might well be, but the position which the United States is in today, and the position in which it will be in during the first few years of the postwar period, is this: As I see the picture, it will be in the position of not having to search for business. I think we may be confronted with such a tremendous demand for all types of goods and commodities both from our own people and from abroad that our productive capacity will be taxed to the limit. I do not think we shall need to go hunting for business. We will have all the business we can possibly take care of without doing any soliciting. Of course, if the time comes when competition takes place for foreign trade, I agree with the Senator from North Dakota that this country should be just as aggressive as any other country on the globe in soliciting foreign trade. I would be only too glad to join the Senator if, when that time comes, it should be necessary to amend this act, or any other act, in order to be sure that we have representatives in foreign countries wherever business is obtainable, and that they will be in position to get that business for us.

Mr. LANGER. Does not the Senator agree that that time is here now?

Mr. MURDOCK. No, I say that at the present time the question is not one of the United States obtaining business, but it is one of taking care of the business when it comes.

Mr. LANGER. Does not the Senator agree that three and a half billion dollars is entirely inadequate, and that, as a matter of fact, it should be much larger so that we may establish trade relations at this time with every country in South America before those countries make their deals with some other country which may be a competitor of ours?

Mr. MURDOCK. I admit that \$3,500,000,000, in terms of world commerce is not very great, but the Senator must keep in mind the fact that the gold which is already earmarked in this country and owned outside and the dollar holdings throughout the world amounts to about \$25,000,000,000. We must consider that fact along with any loans to be negotiated with either the Export-Import Bank or with the International Bank. We must take into consideration that those dollar and gold holdings which already exist will be first expended. That is why I take the position that, instead of the United States Government, or our private enterprises, going out and looking for business, they should keep in mind that in the years immediately following the conclusion of the Japanese war we shall not, in my opinion, lack orders of all kinds. Of course, when that time ends, when normal conditions return and we are confronted with a competitive situation in our efforts to secure foreign trade, I would support the policy of maintaining representatives in every place on the globe whose duty it would be to look after American trade and see that we get our legitimate share of it.

Mr. LANGER. I may say to the distinguished Senator that it is my understanding that during this war, especially during the latter part of the war in Europe, England was shipping supplies to South America. England has been establishing trade in South America. As a matter of fact, England is further ahead in her South American trade than is this country.

Mr. MURDOCK. My information as to England is this: That her export business has diminished to a negligible point because of the fact that a great proportion of her entire productive capacity is now and has been for a long time devoted to the war effort. That statement applies to her shipping as well. It is also devoted to the war effort. One of the serious problems in England is to reestablish her export trade. In my opinion, in order to have a healthy economic situation throughout the world, England must again develop and establish her export business.

Mr. LANGER. It is my understanding that England has bought most of the sugar in South America and in Cuba.

Mr. MURDOCK. I assume that England has certainly exercised every power at her command to purchase all the sugar she can purchase in order to meet her essential needs.

Mr. LANGER. In this country we have a shortage of sugar. Would the Senator say that the situation to which I have referred is a form of competition?

Mr. MURDOCK. No; I say that probably the reason for our shortage in this country is that the Philippine Island sugar industry, which is a very substantial part of the sugar industry of the world, has been completely wiped out. When a great producer of sugar is taken out of the picture, as the Philippine producers have been taken out, and the burden of supplying sugar is transferred to the Cuban growers and to the cane and beet producers of the United States, there cannot help but be a shortage. We must also keep in mind the fact that

we consume probably as much or more sugar today than we have ever consumed in the past.

Mr. LANGER. I understand that, but of the sugar which is available in South America and in Cuba, is it the Senator's understanding that England has obtained most of it?

Mr. MURDOCK. I cannot say that England got most of it, but in order for England to exist I am sure that she must have a substantial part of that South American and Cuban production. I assume that the division of the sugar crop in Cuba among the United Nations is certainly by agreement. I believe that any sugar which England is now receiving from Cuba is received under an agreement with the United States.

Mr. LANGER. Let us assume that a corporation in Africa wishes to obtain electrical and other machinery for the purpose of building a large dam in order to irrigate, say, a half a million acres of land on which would be raised crops in competition with the farmers of this country. It would be entirely within the discretion of the Board, as I understand, whether or not a loan for the purchase of the machinery would be granted. Am I correct?

Mr. MURDOCK. I cannot conceive of the Export-Import Bank making a loan purely for reclamation purposes in some other country unless the reclamation project involves a great deal of material which must be shipped from the United States to that country.

Mr. LANGER. That is what I am inquiring about.

Mr. MURDOCK. Of course, if an application of the kind to which the Senator refers should come to the Export-Import Bank, and the purpose of the loan is to build a great multiple-purpose dam, such as a great irrigation dam for the control of navigation and floods, and involves, let us say, the installation of numerous electrical generators, as well as other equipment, which in turn will involve the purchase in this country of a hundred thousand tons of cement, and vast tonnages of reinforcement steel, then certainly the Export-Import Bank will consider the application for the loan. If it was a good loan, considering the grade of securities which were available here from exporters of cement, steel, and electrical equipment, then I would assume that the bank would make the loan. I do not think that any Government agency of this kind, or any private agency, can consider that the fact that the production of agricultural commodities in some other country may come in competition with us would be a basis for the denial of a loan.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Iowa?

Mr. MURDOCK. I yield for one more question from the Senator from North Dakota, and then I will yield to the Senator from Iowa.

Mr. LANGER. Can the Senator from Utah tell us the largest loan that has been made by the Export-Import Bank and the smallest loan?

Mr. MURDOCK. I am advised that the largest loan is a \$50,000,000 loan to China and the smallest a loan of \$2,000.

Mr. LANGER. I am very thankful to the Senator for the information. I may add that I am not a member of the committee, and the only opportunity a Senator who is not a member of the committee has to obtain information is to ask some member of the committee. I think the Senator from Utah has done a good job in explaining the matter.

Mr. MURDOCK. I thank the Senator from North Dakota; I am always glad to yield to him, and I admire his vigorous interest in all questions coming before the Senate.

Mr. HICKENLOOPER. Mr. President—

Mr. MURDOCK. I yield to the Senator from Iowa.

Mr. HICKENLOOPER. Mr. President, first let me say that I am familiar with the operations of the Export-Import Bank; I think it has been successful, and I expect to support it; but, apropos of what has gone on and what is happening to our foreign trade, I think it would be rather interesting to read excerpts from a letter I have which has just been written by a manufacturer's agent in Venezuela. It is quite significant at least at this time as to our neglect of our foreign trade at this moment.

Mr. MURDOCK. I am happy to yield to the Senator for that purpose.

Mr. HICKENLOOPER. Discussing orders he had to cancel because he could not get deliveries in this country, his letter states:

FEA and WPB had better take full cognizance of the fact that English, Swedish, and Swiss manufacturers' agents are out taking orders from all comers for all kinds of equipment and offering deliveries from 30 to 90 days ex-factory with no priority requirement.

A client of ours just canceled an order for a 200 hp. Cleaver-Brooks boiler for a textile mill, which we had on order for the past 6 months and were unable to obtain priority, on the grounds that England was offering him an equivalent boiler at a lower price and for 90 days' delivery ex-factory. We can't blame him, as WPB has been fooling around 6 months and still hasn't assigned the priority on the grounds that the boiler is not necessary. Nevertheless, they approve a high priority for the structural steel required for a 7-story office building which damn well could have been built of reinforced concrete as dozens of others are being built here. There is enough steel in the aforementioned structure to build 100 boilers and 1,000 hoists.

I may say that the subject of this letter was a cancellation of orders for hoists which they were unable to deliver.

We here have stopped trying to figure out some of the decisions being made by FEA and WPB as we always come out with the same answer. We know that a terrible war has just ended and that we still have a tremendous war to win in the Pacific. However, we still have an even more tremendous economic war ahead and while other countries are making great headway in securing a sound position for themselves in this "postwar war," we sit around and sew the seeds of more ill will with clients anxious to do business with us. Who can blame these clients for swinging back to the European market; prices are lower and deliveries quicker. Instead of asking us fellows here

who are trying to hold onto these markets for the United States and American manufacturers if we know a war is going on, we believe the question would better be put to England, Sweden, Switzerland, and others.

The Oerlikon factory in Switzerland is offering electric motors, generators, and other electrical equipment based on delivery 6 weeks ex-factory; we still quote 10 to 12 months after receipt of priority.

England just took an order here for 1,000,000 square feet of asbestos cement sheets at 9 cents per square foot based c. i. f. Maracaibo, while our net cost on which we based a competition bid was 13.6 cents per square foot.

As a result of your letter of May 9, and as you request, you may consider our order No. 5007 officially canceled.

We will order these hoists from England as England always delivers the goods—don't think they are kidding with that slogan. A boatload of asbestos cement sheets and piping valves and fittings (bronze included), paint and paint-coloring materials, etc., just arrived last week.

This is a letter, Mr. President, written to a manufacturer in this country who photostatted it and sent it to me. He can fill no orders. He is an exporter of some size, and he is tremendously concerned about the loss of the market because of inability to deliver, while at the same time our allies, apparently, are delivering metal and machinery, and equipment and tools and all manner of supplies to the South American market, and at a lower price.

Mr. MURDOCK. Mr. President, in reply to the observations made by the able Senator from Iowa, I may say I have no doubt that situations such as he relates are occurring and that mistakes have been made by the War Production Board and by FEA, but Switzerland, Sweden, and some of the other countries which might be mentioned have not the responsibility at this time of defeating Japan. That is almost exclusively our task and that of Great Britain. I cannot condone the situation to which the Senator refers, but it is my hope and my belief that it is the exception rather than the rule, and I think that the situation with which we are confronted will not be one of lacking business, for in my opinion we will have plenty of it.

Mr. BARKLEY. Mr. President—

Mr. MURDOCK. I yield to the Senator from Kentucky.

Mr. BARKLEY. In connection with that letter or any similar complaint that might be made by representatives of American manufacturing plants in South America or elsewhere, I think it ought to be said that none of our plants can export to any part of the world for foreign domestic use and consumption as a peacetime operation anything that is not released by the War Production Board, the FEA, and the War and Navy Departments, all of them working together to see that the war is served first, and that nothing can be sent out of this country that is essential in the manufacture of war materials. So, as the Senator from Utah said, Switzerland, Sweden, and other countries which are not in the war are not laboring under any such restrictions; they do not have to consult anybody about exporting stuff to other countries.

So far as England is concerned, of course everyone knows that England is making a feverish effort to get something manufactured which she can ship somewhere in order to help her pay for imports, and to pay her debts and some of the war expenses.

Mr. MURDOCK. Is not the United States Government intensely interested in aiding Britain in building up again her export trade? England cannot come out of the present situation without some help.

Mr. BARKLEY. Undoubtedly. It is to our economic and financial advantage that she do build up her export trade, because the more completely she can pay, the more rapidly she can do it, the more we are relieved from any obligation to assist financially or economically in the rehabilitation of a country which must rely upon its exports in order to live.

Mr. BUSHFIELD. Mr. President, will the Senator from Utah yield?

Mr. MURDOCK. I yield.

Mr. BUSHFIELD. As I understand, the Export-Import Bank has been in existence for about 11 years.

Mr. MURDOCK. I think the Senator is correct.

Mr. BUSHFIELD. An amount in excess of a billion dollars has been handled by the bank in that period of time, and there are about \$200,000,000 left in loans at the present time. Am I substantially correct?

Mr. MURDOCK. From its organization to June 30 of this year the Export-Import Bank has authorized loans aggregating \$1,269,000,000. Of these total authorizations, \$429,000,000 were canceled, either because the applicants found they did not require the loans or arranged to obtain necessary credits from private sources. Actual disbursements have amounted to \$504,000,000, of which \$290,000,000 has been repaid.

Mr. BUSHFIELD. That leaves a little more than \$200,000,000 in outstanding loans now, does it not?

Mr. MURDOCK. I think, besides that, there are commitments.

Mr. BUSHFIELD. I understand there are commitments.

Mr. MURDOCK. It brings it up to very near the maximum limit of \$700,000,000.

Mr. BUSHFIELD. Can the Senator tell me about what the losses have been during the existence of the bank?

Mr. MURDOCK. I am advised that the total losses, that is, loans in default, up to this time, approximate \$250,000.

Mr. BUSHFIELD. Even that does not necessarily mean that those are all total losses, does it?

Mr. MURDOCK. No. I think the bank is very hopeful of being able to work out most of those satisfactorily.

Mr. BUSHFIELD. From the experience of 11 years it would appear to me that the bank has been operated upon an extremely splendid pattern.

Mr. MURDOCK. I agree with the Senator.

Mr. BUSHFIELD. If it is operated in that way—and I have the impression that this particular bank is operated in an excellent manner—it is something for us to be very thankful for and to be interested in, and I am interested in know-

ing whether the bank is operated upon a banking basis.

Mr. MURDOCK. I am sure that the figures the Senator will find in the report indicate that it is operated in a very businesslike way.

Mr. BUSHFIELD. I thank the Senator.

Mr. BARKLEY. Mr. President, will the Senator from Utah yield?

Mr. MURDOCK. I yield.

Mr. BARKLEY. I think it is true, and should be stated in that connection, that while the total loans in default amount to about \$250,000, the profits of the institution offset that, so that on the whole there is no loss in the operation of the Bank.

Mr. MURDOCK. The profits are stated in the report to be \$42,000,000.

Mr. BARKLEY. Of course; so that the \$250,000 in default, even if it were all lost, is insignificant in comparison with the profits.

Mr. MURDOCK. Mr. President, I have nothing further to say unless there are further questions, and I yield the floor.

Mr. TAFT. Mr. President, I believe we should pass the bill increasing the capital stock of the Export-Import Bank, but I should like to make it perfectly clear what the purpose of the bill is, and to read some of Mr. Crowley's testimony to show its purpose. I think this is the last time the capital of the Bank should be increased, and I do not think the reasons which apply this year will be likely to apply again.

The Export-Import Bank was formed in 1934. At that time it had a total capital of \$11,000,000. In 1939 it was increased to \$100,000,000; in March 1940, to \$200,000,000; in September 1940, to \$700,000,000; and it has had a capital stock of \$700,000,000 since that time.

Now it is proposed suddenly to increase it to \$3,500,000,000—five times its present capital. The purpose of this increase really is not at all in line with the original purpose of the Export-Import Bank, and I think that ought to be clearly understood. The history of the Bank has been in general successful. It has loaned money. When it was formed its main purpose was—and that is the argument made for it today, I think rather inaccurately—to help finance American exporters. It can serve a very useful purpose and has served a useful purpose by helping American exporters extend credits to South America and elsewhere which the ordinary American bank is not willing to finance. In many countries it has been customary to give 2 or 3 years' credit, even 5 years' credit. Our banks are not willing to finance for so long a period, and most of our exporters, unless they are very large companies, cannot do it themselves. Also, there is some risk that they do not like to take, particularly small exporters who do not have the facilities to examine credits in South America and other countries, and the Export-Import Bank serves a very useful purpose in that respect, and has done so.

But now really the Export-Import Bank has two functions. One is the function I have just mentioned and the other is the political function of making loans to governments. That function

has not been very widely used, although I think there have been some direct Government loans made by the Export-Import Bank to Brazil, and, I believe, to Mexico, although usually for particular projects. We financed the construction of a steel mill, for instance, in Brazil at one time, and I think that project was desirable, even though it does create competition for our own manufacturers.

It has been urged that this particular increase is for the purpose of increasing American exports. I do not believe that that is in any way its real purpose. Furthermore I do not believe that lending on such a scale as \$3,500,000,000 to be spent in a single year is properly a function of the Government. I do not believe we ought to undertake by loans to governments to build up a supply of dollars abroad that can be used to pay for exports from this country.

The distinguished Senator from Utah [Mr. MURDOCK] said that this increase will open up to American producers and manufacturers the largest market that ever awaited them. That is not true, either, because the American market is probably five times or ten times as large as any world market the American manufacturers will ever have, and the American market will always be the best market they can secure. Furthermore, I do not believe that foreign trade financed by loans from this country in more than a reasonable amount, representing the real desire of our people to invest abroad, is a sound method of increasing foreign trade. We should only build up a foreign trade based on exchange profitable to both sides.

The real purpose of this fund, however, is to give the Government \$2,800,000,000 to loan foreign countries for rehabilitation, and only for the next 12 months. Mr. Crowley's testimony made it clear that when we pass this bill we will be providing for foreign countries for rehabilitation purposes, possibly including some relief, although UNRRA was supposed to take care of relief outside of this, about \$7,000,000,000 during the next 12 months, as \$4,400,000,000 is to go abroad under lend-lease, distributed to various countries. Of the \$4,400,000,000, Mr. Crowley testified that \$1,700,000,000 would be food from the United States, although we are necessarily short of food. I believe, however, that we can properly and we should set aside that amount of food for shipment abroad.

Now we add to the \$4,400,000,000 this \$2,800,000,000 which Mr. Crowley says is to last for only 12 months. In effect, what this is for is to supplement lend-lease. Although lend-lease is being used, in my opinion, for reconstruction purposes, contrary to the intentment of the act, still I think the officials in charge feel they cannot press it any further. Having obtained an appropriation of \$4,400,000,000 for the current fiscal year beginning the first of July, they feel that that is just about as far as they can possibly go.

I may say, referring to the lend-lease provision, that Mr. Crowley says the figure may be reduced. In committee I asked him the question:

Now Mr. Crowley, unless the war ends immediately or within the next few months,

there is not much chance that this figure will be reduced any, this \$4,000,000,000 figure?

Mr. CROWLEY. No; I would say not. I would say not, Senator.

I asked him:

But if it is ended immediately it might be reduced?

Mr. CROWLEY. Well, certainly a very large part of it would be saved if it ended immediately?

Senator TAFT. Yes.

Mr. CROWLEY. Or in the next 6 months, a large part of it would be saved.

Senator TAFT. But if the war goes over 6 months, probably there won't be much saving, is that right?

Mr. CROWLEY. Not a great deal.

So that if the war continues for 6 months, this lend-lease expenditure will be run up to \$4,000,000,000 or so. But then we run out of lend-lease funds, and this proposed increase of \$2,800,000,000 is for loans to European governments primarily to supplement lend-lease.

Mr. President, I only want to say, first, that I think that with \$4,400,000,000 of lend-lease funds, plus the \$2,800,000,000 for the Export-Import Bank, or a total of \$7,000,000,000, we are doing our full share toward the rehabilitation of Europe. I made that statement yesterday. I do not think as I made clear yesterday, that the new International Bank is needed. Yet, it is clear that the International Bank is a permanent institution. It probably will not be available during the next 12 months. Now that we have passed the bill it is not a bargaining weapon that can be used further by our Government in securing anything that we may wish to secure, and I believe that the pending bill does furnish, with lend-lease, the only means, the only bargaining weapon we have in a financial sense to secure such concessions as may be necessary from foreign governments to assist in securing a stable peace or in securing the opening up of trade markets to the exports of the United States.

Mr. VANDENBERG. Mr. President, may I ask the Senator a question?

Mr. TAFT. I yield.

Mr. VANDENBERG. Do any of the figures which the Senator has given include the obligation which we inevitably confront in respect to the recuperation of the Philippine Islands?

Mr. TAFT. No. The question occurred to me that the pending bill as drafted does not permit loans to the Philippine Islands, and I think the sponsors of the bill might wish to consider an amendment to make such loans available, although there will be other legislation, I understand, to assist the Philippine Islands. Still it is clear that, apparently, the Export-Import Bank funds are to be used only to assist exports from the United States and its possessions to foreign countries, and the Philippines will not be a foreign country until they secure their independence a year from this time. So that, as I see it, the bill will not aid the Philippines during the 12-month current period.

Mr. VANDENBERG. Then the general figures the Senator has given do not include any estimates in respect to the Philippine Islands?

Mr. TAFT. No; I think not.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. TAFT. I yield to the Senator from Maryland, who may have some further explanation to make.

Mr. TYDINGS. I think the Senator's position is an accurate one with reference to the Philippines. It certainly is doubtful whether they would be within the purview of the act. I have submitted to the Senator in charge of the bill an amendment which I have asked him to favor, which would remove any doubt about the ability of the Filipinos to take advantage of the operations of the Export-Import Bank. I agree with the Senator that at the present time it is not clear whether or not they could come in under it. They certainly ought to have as much right as any other nation to come in under it.

Mr. VANDENBERG. They have a primary right. If we have any obligation abroad, it starts in the Philippines.

Mr. TAFT. Under the terms of the bill which we are considering, the Export-Import Bank is authorized to make loans, and so forth, "for the purpose of aiding in the financing and facilitating of exports and imports and the exchange of commodities between the United States or any of its Territories or insular possessions and any foreign country or the agencies or nationals thereof." So it seems clear that it would not cover loans to the Philippine Islands.

Mr. MURDOCK. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. MURDOCK. I am in full agreement with the statement which the Senator has made with reference to the Philippines, and the statement made by the Senator from Michigan. However, we are again confronted with the parliamentary situation of the House not having a quorum. A single objection could stop the legislation and delay it until after the recess.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. BARKLEY. While it is undoubtedly true, under the language of the bill, that loans could be made for the purpose of financing exports from the United States to the Philippine Islands—

Mr. TAFT. Not for that purpose.

Mr. BARKLEY. It does not seem possible that a loan could be made to the Philippine Islands for the purpose of exporting goods from the Philippines to some other country. In view of the contemplated comprehensive legislation which we expect to take up soon in regard to the Philippine Islands, and in view of the parliamentary situation, I doubt very much the wisdom of attempting to deal with that subject in this bill. I do not want to do anything which would delay enactment of the pending bill, because the Export-Import Bank is out of money. Its lending ability is exhausted, and if it were forced to wait until October or November, its functions would certainly be crippled.

Mr. TAFT. However, the same parliamentary situation exists with respect to both bills passed yesterday. I do not know that we would add anything to our problem by amending this bill if an amendment seemed wise.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. SALTONSTALL. I should like to ask the Senator from Ohio or the Senator from Maryland whether it would not be better, rather than to try to amend this bill, to have the whole Philippine problem put before us as one problem, involving individuals and the Government, and involving our obligations to ourselves? Should not the necessary legislation be enacted separately at the proper time, rather than placed in this bill by an amendment, whereby we should never know what was done with relation to the Philippines except indirectly through the Export-Import Bank officers?

Mr. TAFT. That is true; and yet the Filipinos need aid. They know that they are entitled to greater consideration than is the rest of the world; and yet they come here and find agencies already established which cannot help them. Such agencies can help every other country in the world, but they cannot help the Filipinos. If there is no legislation dealing with the Philippines, we are placed in an awkward situation. On the merits of the question, apart from the procedural problem, I should say that such an amendment ought to be included in this bill. I do not think we could lose anything by it.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. TYDINGS. I understand that the Philippine Government now has an application pending for a loan of \$60,000,000. That is due to the fact that the municipal governments and the provincial governments in the Philippines are to a large extent without money. They have had no tax collections for 3 or 4 years, and it is very difficult for them to finance the police forces, for example, in some of the smaller towns, because everything is in a chaotic condition in those places. However, I understand that it will be possible, if the government wishes to make the loan, to get the money from other sources. I am advised that their application for such money as we feel we should like to lend them can be accommodated whether an amendment to this bill is adopted or not. Therefore, so far as I am personally concerned, I have no objection to letting the Philippine provision wait until we meet in the fall, much as I should like to see it adopted now. I am advised from the other end of the Capitol that if an amendment is added to the pending bill, it may delay enactment of the bill to such an extent that the amendment may not carry out the purpose for which it is intended.

Mr. TAFT. Let me ask the Senator from Maryland whether in his opinion the RFC could make a loan to the Philippine Commonwealth today?

Mr. TYDINGS. In my opinion the RFC, or some of its subsidiaries, could make a loan to the Philippine Commonwealth.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. TOBEY. I should like to address a question to the Senator from Maryland. To the Senator's knowledge, are there any outstanding Philippine bonds which are guaranteed by the United States Government, or have they all been paid off?

Mr. TYDINGS. I suppose the Senator is referring primarily to railroad bonds.

Mr. TOBEY. Yes.

Mr. TYDINGS. I understand, from a partial exploration of that question, that we have no legal obligation to guarantee such bonds. However, we are in the position of having morally endorsed the bonds, because we have more or less floated them for the Filipino Government. I am advised that, from a strictly legal standpoint, we are not obligated, but some persons think we are morally obligated. Others think we are not.

Mr. TOBEY. There were some issues of Philippine bonds which were guaranteed definitely by endorsement of the United States Government. I assume that those have been retired.

Mr. TYDINGS. I do not wish to give the Senator a definite answer, because I might be in error. My opinion is that there are none with respect to which we are legally obligated. If there are any at all, the number is very small.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. LANGER. If the pending bill were enacted, could the Export-Import Bank make loans to governments notwithstanding the Johnson Act?

Mr. TAFT. The bill expressly provides that the Johnson Act shall not apply to such loans.

Mr. LANGER. Then if the bill were enacted, such loans could be made, even though the Johnson Act were not repealed?

Mr. TAFT. Yes. As a matter of fact, my impression is that such loans can be made today, regardless of the Johnson Act. As I understand, the Johnson Act does not apply to loans made by the RFC or the Export-Import Bank. I am subject to correction in making that statement, but my impression is that it applies only to private loans to the governments concerned or their municipalities. I do not believe that it applies to government institutions.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. BARKLEY. The Senator's interpretation is correct. The Johnson Act prohibits private loans by citizens of the United States to governments which are in default, but it does not prevent a loan by the United States Government or any of its Government-owned corporations.

Mr. TAFT. I do not quite know why the provision with respect to the Johnson Act is in this bill. It clearly exempts such loans from the provisions of the Johnson Act, even though they might otherwise be exempt.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. ELLENDER. A while ago the Senator stated that the policy which heretofore existed with respect to the Export-Import Bank was to be changed, in that it would be used for other purposes than to expand our foreign trade. Will the Senator be a little more specific?

Mr. TAFT. I do not think that is quite what I intended to say. Of course, loans to governments may be made, and the borrowing governments may be required, as a condition of obtaining the loans, to buy goods in this country, which would result in exports. But there are two functions of the Export-Import Bank. I should like to see those functions separated by statute. Certainly the board should separate the two functions. One of those functions is to help American exporters. For example, a small-business man in Cincinnati who has machine tools which he can sell in Brazil should be helped to get orders for machine tools in Brazil. He should be enabled to ascertain the credit standing of the prospective purchasers in Brazil, and then perhaps enabled to extend a 3-year credit, which the British or German exporter can extend. It is a direct service to American exporters.

Mr. ELLENDER. Why could not that be accomplished under the terms of the law as it now exists?

Mr. TAFT. The other department or function has to do with direct dealings with governments. For example, if we lend \$1,000,000,000 to Russia, as is proposed under the terms of this bill, Russia will select the goods which she wishes to buy in this country. We are not going to help our exporters. We are going to deal with Russia. Perhaps we will require Russia to buy in this country, but undoubtedly Russia will select the goods, and we shall have no further function in assisting our exporters. It is a different kind of approach. The net result is claimed—properly, no doubt—to result in the increase of American exports if an increase brought about by lending money is a sound proposition.

But one is kind of a service agency to American exporters and the other is really a political matter of loans to governments.

Mr. ELLENDER. Suppose we had simply amended the act by increasing the capital of the Bank. Could not the Bank have made loans to Russia?

Mr. TAFT. Yes. I objected when the funds of the Bank were increased from \$200,000,000 to \$700,000,000; I objected on the ground that the Bank was going into the business of making loans to governments. As a matter of fact, it was; it was making loans to Brazil and Mexico.

When we have a bank which becomes involved in large figures such as billions of dollars, I think it forgets the exporters and does not really do what it was created to do, namely, help the exporters, the businessmen.

Mr. ELLENDER. Does the record show whether money was loaned to any foreign government other than Brazil?

Mr. TAFT. I do not know; I have not gone into that matter, and I cannot

tell the Senator. The amounts involved at that time have now become, seemingly, so small as compared to what we are now dealing with that I, perhaps, have lost interest in the size of those loans.

Mr. ELLENDER. Does the record show whether the Export-Import Bank has made profits?

Mr. TAFT. Yes; the Bank has made profits. The Senator will find a statement of that in the report. I think there may be some outstanding loans; but the loans are in very good shape at the present time, so far as we can see, and I have no doubt that nearly all of them will be repaid.

They say:

The earnings of the Bank from its organization to date, after payment of all administrative expenses, have amounted to approximately \$42,000,000.

That has been in a period of approximately 10 years, so it amounts to approximately \$4,000,000 a year. If the Bank were an ordinary bank, it would have paid taxes perhaps to the extent of half of that sum. But the Bank has had a profitable operation.

Mr. ELLENDER. I thank the Senator. I will further inspect the report.

Mr. TAFT. Mr. President, I have made the point that I should like to see the Bank divided. At this time I should like to read some of the testimony of Mr. Crowley to show just what the proposal is. I asked Mr. Crowley:

Why not use the International Bank? Why loan some of our money one way and some the other?

This was his reply:

The International Bank for Reconstruction and Development is intended, it is true, to be a major source of large-scale and long-term credit for the rehabilitation of the war-torn countries and the building up of economically underdeveloped countries. Our participation in the International Bank has now been approved by the House and by this committee and will be approved shortly, I trust, by the Senate. At best, however, the International Bank cannot be in effective operation for a year or 18 months. A strengthened Export-Import Bank is therefore urgently needed during the period just ahead, to provide the necessary financing of our exports in connection with reconstruction and development projects abroad. There will be no other governmental source of dollar credits for this purpose.

That statement is not quite correct, because Lend-Lease, I think, could be said to provide some \$4,400,000,000 worth of credits; but perhaps technically the state is a correct one.

Mr. Crowley further said:

It is believed that this proposed lending authority of the Export-Import Bank may suffice to meet the essential need for sound financing of exports during the present fiscal year. By the close of the year it should be possible more accurately to determine the character and scope of the demands for the assistance of the Bank.

In other words, Mr. President, the fact that this is not the same thing that we have had before is perfectly evident, because for 10 years we have gone on with \$700,000,000, turning that over in the form of short-term loans; and now, all of a sudden, we are going to add \$2,800,-

000,000, and we are going to lend it all in permanent loans in a period of 12 months. So it is perfectly clear from Mr. Crowley's testimony that the \$2,800,000,000 is something different, and is really a matter of political policy in making loans for reconstruction and development.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. ELLENDER. A moment ago I found the answer to the question I asked a while ago about the earnings of the Bank. Evidently the Bank has been very well and satisfactory managed.

The next question I had in mind at the time I was seeking information as to the way the Bank was managed is, Why is it that the committee saw fit to change the management of the Bank, as provided for in section 3 in the light of such a fine showing by the present Bank management? Does the Senator know the reason for that?

Mr. TAFT. I do not know, except as I understand the situation the Bank has been batted around a good deal. It was an independent agency for a while. Then in 1939 it was transferred to the Federal Loan Agency, and then in 1942 it was transferred to the Department of Commerce, and then in 1943 it was transferred to the Office of Economic Warfare, and then at the end of that year it was transferred to the Foreign Economic Administration. The Bank is tired of being batted around, and it wishes to be an independent agency, directly under the President.

Mr. MURDOCK. Mr. President, will the Senator further yield?

Mr. TAFT. I yield to the Senator from Utah, if he, perhaps, can answer the question of the Senator from Louisiana better than I can.

Mr. MURDOCK. I think the answer to the question is that at the present time there are 11 directors, and they are all part-time directors, selected from different departments of government. While the Bank has, in my opinion, done a very outstanding and successful job in making the loans, it is thought by the persons presently associated with it that if there could be at least three full-time directors in the directorate, it would be better than the present rather promiscuous directorate coming from different departments. So the result would be that there would be two part-time directors and three directors who would devote their entire time to the business of the Bank.

Mr. ELLENDER. The additional change proposed is that they would be responsible to the President, rather than to the Foreign Economic Administrator.

Mr. TAFT. There is another matter which should be made clear. Under the Bretton Woods plan we have created a council of five men under the chairmanship of the Secretary of the Treasury, and under that plan, as I understand it, they are given power to boss the general policies of the Export-Import Bank and coordinate them with those of other lending authorities, namely, the man on the International Bank and the man on the International Fund. So the Export-

Import Bank will not be quite the independent agency it set out to be when it drew up this bill.

Mr. ELLENDER. After the enactment of the pending bill, who, aside from the Chief Executive, will supervise its functions?

Mr. TAFT. No one except the president and the Board created under the Bretton Woods bill to coordinate all policies of foreign lending.

Mr. President, in order to show what the money is to be used for, I should like to read further from Mr. Crowley's testimony. I asked him whether \$1,000,000,000 of it was to be loaned to Russia. After some discussion which I shall not read, he said:

I would say that in working out the proportion of money, it would be fair to assume, with the size of Russia and the necessity for exports, that from \$750,000,000 to \$1,000,000,000 would be a reasonable amount to expect that they would get out of this allocation.

He further said:

What I think of the Export-Import Bank situation is this: That during the next 12 months it gives this Government a chance to study its foreign loans and we may determine how far we may want to go in appropriating more money for foreign credits.

Mr. President, unfortunately we have gone right ahead without waiting for that study, and we have appropriated approximately \$6,000,000,000 under the Bretton Woods agreements bill, in addition to the lend-lease funds and to this \$2,800,000,000.

Mr. Crowley further testified as follows:

This is the amount of money that we feel can reasonably be used during the next 12 months in meeting requirements that we feel are necessary in order to handle our export trade, plus some loans to those governments that will enable them to rebuild their economy.

If Russia gets a billion dollars, after that you have \$1,800,000,000 left for countries like Belgium, Holland, Denmark, and Norway, as well as other countries. My experience with Belgium, Holland, the Netherlands, and Denmark is that they are taking hold, are rehabilitating themselves, and that it is of advantage to us to assist them economically in getting back on their feet.

I asked him this question:

Mr. Crowley, what about the British? Is there anything in here contemplated for the British?

He replied:

There is no obligation from the British, Senator, and I do not see how, in \$2,800,000,000, that there could be enough money available here to take care of any large amount of aid to Britain from that source, because when you realize the number of countries that are going to call upon us for export help, and assuming that Britain and France may want a substantial amount of it, there is not very much left for Great Britain.

I think that, instead of the words being "Britain and France," they should be "Russia and France."

I continue reading:

Senator TAFT. Well, then, I understood you to say that that leaves a billion eight million for the other countries in Europe, I suppose including other countries outside of those

you mentioned, perhaps; but, as I understand it, none of it is intended to go, for instance, to South America.

Mr. CROWLEY. Oh, yes.

Senator TAFT. The seven hundred million you have already got is enough for South America, is it, or—

Mr. CROWLEY. Well, we made some loans. We always have some loans that are being made to South America, and a hundred or two hundred million dollars set aside, Senator, would undoubtedly take care of most of the demand in South America during the next year.

Senator TAFT. I see. Well, supposing that a man wanted to export textile machinery to England, would that be the occasion of help from this fund?

Mr. Crowley finally made the following statement:

If you are going to talk about a billion dollars to England or a billion dollars to Russia, then it is fair to expect that two billion eight would take care of our other requirements, but I think there is sufficient money in here to take care of a sizeable amount of the demand that we will get from Russia, and we will be able to take care of a reasonable request of a few hundred million dollars for textile machinery and things like that for Russia, if we can get it.

Senator TAFT. They have to have the best modern American textile machinery to compete with our textile mills under the new tariff law. I think it is important they get it.

Senator BARKLEY. That is res adjudicata.

So, Mr. President, I think the Senate should understand what the \$2,800,000,000 is for. It is to be added to the lend-lease funds which we shall be compelled to give in order to secure the rehabilitation of Europe. It is the only fund by which the present emergency can be taken care of. As I pointed out yesterday, the Bretton Woods agreements are wholly unsuited and insufficient for the purpose.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. ELLENDER. Can the Senator point out how the Export-Import Bank is able to obtain better securities for its loans to foreign governments than the International Bank created by the Senate on yesterday? In other words, will not the two banks function almost in the same way insofar as loans to foreign governments are concerned?

Mr. TAFT. I think that the Export-Import Bank is a better medium than the so-called International Bank.

Mr. ELLENDER. That may be. I am referring to the question of securities for the loans actually made. In making a loan to a foreign government and in requiring security therefor, are not both banks on the same level, that is are they not in the same position for demanding similar kind and quality of security?

Mr. TAFT. Yes; except that in the case of the Export-Import Bank we may designate what the security shall be, and in the case of the International Bank a board of directors, consisting primarily of European representatives, will say what security shall be required. I think that from our standpoint it would be safer to follow this plan than to leave the discretion to the International Bank.

Mr. ELLENDER. That may be true but, as I understand the Bretton Woods proposal establishing an International

Bank, we have retained the power of vetoing the granting of any loans before the money actually passes.

Mr. TAFT. Yes. I think perhaps that is true.

Mr. ELLENDER. Then there seems to be little or no difference between the two banks in respect to the kind and quality of security that they would respectively require when dealing with foreign governments.

Mr. TAFT. Under the International Bank we are forbidden to require that the dollars which are loaned and obtained from the sale of securities in this country, shall be used to buy goods from this country. Under the Export-Import Bank arrangement we may insist upon such requirement, and we usually do.

Mr. ELLENDER. I understood that, but my inquiry has to do with the form and quality of security and not—

Mr. TAFT. I may also say that under the present arrangement we may say to a nation, "You have unsound security, and unless you balance your budget we do not think that a loan to you will be repaid." Under the Fund we may not say that. The nation is entitled to draw the money without such a condition being attached.

Mr. ELLENDER. As a matter of fact, in the operation of the International Bank do we not force a nation to do so indirectly?

Mr. TAFT. When a veto is provided under the Bank?

Mr. ELLENDER. No; I mean since all nations desiring loans are forced to stabilize their currencies and put them in order before they are in good standing with the Bank. In other words, as I understand the Bretton Woods proposals, before a loan is considered for a nation that nation must belong to the International Bank and must also be a member of the Stabilization Fund. Before a loan is made to a country, it will be necessary that the country seeking the loan stabilize its currency.

Mr. TAFT. I do not wish to return to the argument which was made yesterday, but I tried to point out that we are expressly forbidden to require a nation to remove exchange restrictions. We permit it to devalue its currency, and must allow it to do anything else which it may wish to do in accordance with its political policies.

Mr. ELLENDER. The point I wish to make is that inasmuch as the International Bank which was created yesterday must be operated in conjunction with the Stabilization Fund, and inasmuch as all countries that choose to do so must become members of the Fund and the Bank in order to secure loans, the Export-Import Bank is in no better position to obtain securities of a better kind and quality than the International Bank. Then if we add to that our power of veto as to all loans, we do not need to fear that our venture will bring total losses, as was argued on the floor of the Senate this week.

Mr. TAFT. I think we are in a much stronger position so far as the Export-Import Bank is concerned. We are not just 1 member of a board of 12. Furthermore, I may suggest to the Senator that at the present time President Tru-

man, who is now in Berlin, is in position to say that if certain things are done, and certain policies are conformed with, an Export-Import Bank loan may or may not be made. He has complete discretion, and he may impose any conditions he pleases in connection with making a loan. The International Bank has no such control. That money has gone. The fact that at some time in the future our people may have a possible veto power over the granting of a loan is a very poor weapon under present circumstances.

Mr. ELLENDER. Yes; but that veto power exists and may be exercised before the loan is consummated.

Mr. FERGUSON. Mr. President, will the Senator from Ohio yield?

Mr. TAFT. I yield.

Mr. FERGUSON. I should like to inquire of the Senator from Ohio as to section 11, in relation to repeal. Is it a repeal or a partial repeal of the Johnson Act? I have the Johnson Act before me, and it provides:

That hereafter it shall be unlawful within the United States or any place subject to the jurisdiction of the United States for any person to purchase or sell the bonds, securities, or other obligations of, any foreign government or political subdivision thereof or any organization or association acting for or on behalf of a foreign government or political subdivision thereof, issued after the passage of this act, or to make any loan to such foreign government, political subdivision, organization, or association, except a renewal or adjustment of existing indebtedness while such government, political subdivision, organization, or association, is in default in the payment of its obligations, or any part thereof, to the Government of the United States.

Section 2 provides:

SEC. 2. As used in this act term "person" includes individual, partnership, corporation, or association other than a public corporation created by or pursuant to special authorization of Congress, or a corporation in which the Government of the United States has or exercises a controlling interest through stock ownership or otherwise.

There appears on page 9 of the pending bill the following provision:

SEC. 11. Notwithstanding the provisions of the act of April 13, 1934 (48 Stat., ch. 112, p. 574), any person, including any individual, partnership, corporation, or association, may act for or participate with the Export-Import Bank of Washington in any operation or transaction.

What is meant by the word "participate"? How could an individual participate in one of these loans, and if he could, would it mean a repeal of the Johnson Act?

Mr. TAFT. I do not quite understand why there is any necessity to insert section 11. It seems to me perfectly clear it does not apply to the Export-Import Bank loans. I suppose, however, that the Export-Import Bank may guarantee a loan. An exporter, the General Electric Co., for instance, may export an electric generator to England, and the Export-Import Bank could simply guarantee the loan, instead of making the loan itself, in which case I suppose the General Electric Co. would be forbidden by the Johnson act to make the loan. I presume that under section 11 the General Electric Co.

could manage to make the loan, in spite of the provisions of the Johnson Act.

Mr. FERGUSON. Provided the Export-Import Bank would guarantee it.

Mr. TAFT. I do not know about guarantees. It reads:

May act for or participate * * * or may acquire any obligation issued in connection with any operation or transaction engaged in by the Bank.

I suppose "any obligation issued in connection with any operation or transaction engaged in by the Bank" is considered sufficient to cover the case I speak of, if it is handled in a correct manner; I mean not by a direct guarantee but by a joint undertaking and understanding between all the parties.

Mr. BARKLEY. And Mr. President, if the Bank made the loan itself under section 11, it seems that private individuals could purchase an obligation and thereby own it, whereas it could not make the loan itself directly without this provision. That might be a participation. Participation would be where they put up part of the money to make the loan, or I suppose it might be held that participation would be satisfied if a private individual or corporation purchased the obligation of a foreign country for a loan made by the Export-Import Bank. It is in order to get around any confusion in that regard that this section was inserted.

Mr. FERGUSON. Would not repeal of the Johnson Act be a better method to adopt?

Mr. BARKLEY. I think so, and I am for the repeal of the Johnson Act. A bill to that effect is now pending before the Committee on Finance. We have had a hearing on it, and I think the overwhelming feeling in the committee is that the bill should be reported favorably, but for various reasons the committee has not acted upon it. I think when the committee does act it will report the bill favorably. But in the meantime we had a repealer of the Johnson Act in the bill which passed yesterday, insofar as it affects the operations of the International Bank. I agree that the entire Johnson Act should be repealed. It serves no good purpose now, and it is only holding back Americans who desire to make loans to foreign governments in the form of municipalities and subdivisions, for essential work they desire to carry on.

Mr. TAFT. Mr. President, I shall conclude in a moment. My conclusion is that we should pass the pending measure, because it provides for about the only emergency aid that is possible to be given to European countries today, and I think such emergency aid should be extended. I think both the Fund and the Bank are wholly useless for that purpose. I do not think they will accomplish anything for that purpose. I think this additional authority for the Export-Import Bank, together with lend-lease, a total of \$7,000,000,000, is a most generous provision. It is a little larger than I thought it should actually be during the next 12 months. I hope very much that lend-lease expenditures may be reduced, as Mr. Crowley suggested. I hope all this money may not be necessary, because even with it all, we are not taking care

of the real trade situation throughout the world.

If this should once be adopted, I think it very doubtful whether we should ever again provide for continuing this policy. I do not like Mr. Crowley's statement that \$2,800,000,000 is for 12 months, and he may be back for more. I said he implied that. He said he did not imply it. I am willing to take him at his word, and I hope we may not have to continue emergency relief beyond the 12 months. I hope this very generous provision may be accepted as very ample evidence of our desire to continue international cooperation.

Mr. BARKLEY. Mr. President, by way of clarification I wish to make a brief statement before the vote on the bill. What the Senator from Ohio has said with regard to the probable borrowers from this fund is substantially correct. Mr. Crowley said there was no formal application from Russia at this time to borrow from the Fund, but I think it is reasonable to assume that anywhere from seven hundred and fifty million to a billion dollars will be allocated to Russia. Somewhere between a hundred million and two hundred million will be earmarked for South American countries. That will leave a little more than a billion and a half for other countries, largely in Europe. It will not be necessary to name them, because I do not wish to have the CONGRESSIONAL RECORD even carry any implication that there is any obligation to lend to any specific country, because they might see it if they were named in this debate, but we all understand, in the main, what countries will obtain the money.

In my judgment, the \$2,800,000,000 is not, as the Senator from Ohio has said, to supplement lend-lease. Lend-lease stands on an entirely separate and independent basis. The two things are wholly independent of each other. Lend-lease is a war measure. Lend-lease was not conceived by either the President or the Congress primarily as an aid to the countries which will receive lend-lease aid. The act authorized the President to make these loans to any country whose preservation the President of the United States deemed essential to the safety and security of the United States. So that lend-lease was based upon our own safety and security, while Russia has said, through Marshal Stalin, that they could not have successfully fought the Germans without the lend-lease we made available to Russia, and Prime Minister Churchill has said that our lend-lease aid to England played a substantial part in aiding England to fight Germany. That does not rob the act itself of these indications of the basic objective of the loans and leases, which were to aid the United States by preserving and keeping in the war the associated nations which have been fighting against Germany.

It is true that \$4,375,000,000 or approximately \$4,400,000,000 is contemplated as a maximum of loans during the next year.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. TAFT. Of course, they are not loans. They are lend-lease.

Mr. BARKLEY. They are lend-lease.

Mr. TAFT. But that only covers the part that goes through the FEA. It does not cover any of the military lend-lease. It does not cover any of the direct war aid. My point is that since the war in Europe has ended, although war with Japan continues, the \$4,400,000,000 which is going to Europe is, for all practical purposes, a reconstruction loan. In my opinion and in my discussion I intended to separate the two entirely. The lend-lease is one thing and the \$4,400,000,000 is really a postwar rehabilitation loan, in effect.

Mr. BARKLEY. I cannot agree at all with the statement of the Senator on that subject. Mr. Crowley made it plain before the committee yesterday or the day before that all these grants under lend-lease are war grants. Not one of them is for reconstruction or rehabilitation or development—not one. It is true that practically \$1,700,000,000 of it is for food, and it does not include military materials supplied by the Army and Navy. Those are matters of military secrecy, and they are handled by the War and Navy Departments, and not by the lend-lease set-up.

Mr. Crowley also stated that, with one or two exceptions, he is making no contract for lend-lease that extends beyond the 31st of December. So if the war should end in the meantime, lend-lease would for all practical purposes end, and there would be quite a saving out of this \$4,400,000,000. No new contracts would be made extending beyond the 31st of December if the war should terminate prior to that date, and to that extent, if that should happen, there would be quite a saving. He testified, of course, as we would know, anyhow, that the amount of money saved beyond the 31st of December would depend upon how soon thereafter the war ended. If it ended at any time prior to the end of the fiscal year, there would be some saving; but the sooner it would end the greater would be the saving.

So the \$2,800,000,000 for the Export-Import Bank is not to supplement lend-lease. It is entirely for a different purpose. Although the loans are to be made to foreign governments, they are to be made to facilitate the exportation of American products, and every dollar of it will be spent in the United States.

Mr. TAFT. Mr. President, will the Senator yield for a moment?

Mr. BARKLEY. I yield.

Mr. TAFT. My suggestion is this: We made a lend-lease agreement with France that covers locomotives, machinery, and all kinds of commodities which are helpful to us while the war is on perhaps, and also helpful to rehabilitation. My suggestion is that if that is to be cut off at the end of the war I think it would be a proper use and the intended use of this \$2,800,000,000 to loan France the money to finish up the delivery of those goods. In that sense I think it is a supplement, in time, to the lend-lease program.

Mr. BARKLEY. Of course, I cannot say, nor can the Senator from Ohio say whether any of this \$2,800,000,000 will go to France. I do not know whether it will. But under our lend-lease agreement with France, from the material we had in France at the end of the war, France agreed to buy whatever she might need, and pay the United States according to the value agreed upon by the United States and France. It would be obviously more economical for us to sell a large amount of our surplus material that will be found in Europe to the nations of Europe; especially the material in France. We have sent to Europe more than 300,000 automotive vehicles for war purposes; we have sent more than 30,000 freight cars and approximately 2,000 railway engines. In the reconstruction of those countries undoubtedly they will need much of the surplus material which will be found on the ground in the European countries which have been devastated. The railway system of France has been largely destroyed. Bridges over the rivers, and tracks and yards have been destroyed. For our own purposes we have helped to rehabilitate some of them in order that we might ship our own goods and our own troops over them. But we do not desire to bring all that material back to the United States. It would be uneconomical to do it. If we brought it back here and sold it, it would be sold in competition with the products of American labor currently at work producing the same articles. So it is to our own interest to sell these things to the countries in which they may be found at prices that can be agreed upon. Our agreement with France provides that she may purchase at prices agreed upon and upon terms fixed by the United States and, of course, agreed to by France to pay for goods she may want to purchase out of things that were sent over as a part of lend-lease, but which we do not desire to reship to the United States, and which may be useful to France, to Belgium, to Holland, and other countries.

So that only indirectly can it be said that what may be purchased out of lend-lease may be used later for reconstruction purposes. But it will be used by the governments that buy it for their own reconstruction under their own plan, and after agreeing to paying the United States for whatever they take.

I do not wish to rehash any of the arguments we have indulged in here all this week about the Fund and the Bank. It is not necessary to do so. I am happy to believe that the Members of the Senate and the people of the country have a high estimate of the administration of the Export-Import Bank. It has done a fine job. It has facilitated the exportation of American goods, and the proposed increase is solely for that purpose. The form of the loans is a little different because these loans will be made to governments. The purpose is the same, to enable those governments to buy in the United States the products of our labor and our industry and our financial investment.

I am glad to feel that the country endorses the Export-Import Bank and its administration. Not only has it done an excellent job in facilitating the exportation of American goods, but it has made a profit in the enterprise of some \$42,000,000, which is not a bad showing. Even if none of the loans which are now in default should ever be repaid, it would

have a very comfortable and probably an unexpected profit out of its operations, beyond what we thought it would have when we created the Bank.

Mr. President, I am glad there is no opposition to this measure, and I hope it will be adopted without amendment so that it can be sent immediately to the President.

Mr. TAFT. Mr. President, before passage of the bill I ask to have inserted in the RECORD a table showing the growth of the Export-Import Bank, which I think would be very useful for anyone studying the history of the Bank.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Growth of Export-Import Bank¹

Laws	Date	Capital stock	Lending power (borrowing power)	Other information
Executive Order 6581.....	Feb. 2, 1934	² \$11,000,000	Apparently unlimited.....	Bank an independent agency set up under authority granted President by National Industrial Recovery Act June 16, 1933. Preferred stock obtained from RFC.
Public, No. 1, 74th Cong., 1st sess., 49 Stat. 4.....	Jan. 31, 1935	(?)	do.....	Bank authorized "with the approval of the Secretary of the Treasury to borrow money * * * for the purposes aforesaid" (aid in financing exports and imports between United States and foreign countries). Continued Bank until June 30, 1937.
Public, No. 2, 75th Cong., 1st sess., 50 Stat. 5.....	Jan. 26, 1937	(?)	do.....	Continued Bank to June 30, 1939.
Public, No. 3, 76th Cong., 1st sess., 53 Stat. 511.....	Apr. 4, 1939	(?)	\$100,000,000.....	Put limit of \$100,000,000 on lending power; extended life of Bank to June 30, 1941.
Do.....	July 1, 1939			Grouped with other agencies to form Federal Loan Agency, reorganization plan I, pt. 4, sec. 402 (c).
Public, No. 420, 76th Cong., 3d sess., 54 Stat. 38.....	Mar. 2, 1940	(?)	\$200,000,000.....	Increased the limit of lending power to \$200,000,000.
Public, No. 792, 76th Cong., 3d sess., 54 Stat. 961.....	Sept. 26, 1940	(?)	\$700,000,000.....	Increased limit of lending power from \$200,000,000 to \$700,000,000 and extended bank to Jan. 22, 1947.
Executive Order 9071.....	Feb. 24, 1942			Transferred Bank to Department of Commerce under direction of Secretary of Commerce.
Executive Order 9261.....	July 15, 1943			Transferred Bank from Commerce Department to Office of Economic Warfare.
Executive Order 9280.....	Sept. 25, 1943			Bank consolidated into FEA when FEA created.
H. R. 3771, 79th Cong., 1st sess.....		³ \$1,000,000,000	\$3,500,000,000.....	Bank to be made independent agency (no mention of duration of Bank).

¹ The Second Export-Import Bank dealt only with Cuba, was of short duration and was finally absorbed into the Export-Import Bank.

² Common stock, \$1,000,000; preferred stock, \$10,000,000, obtained from Reconstruction Finance Corporation. As greater capital funds were needed the Bank issued preferred stock to RFC, after periodic amendments to art. 3 of the Bank's corporate charter, thereby increasing its total capital stock and lending power.

³ Limit of \$100,000,000 put on lending power. This automatically put a limit on the capital stock, \$1,000,000 of which was the original common stock and \$99,000,000 of which could be preferred stock issued to RFC.

⁴ Same as (2) except that limit on lending power raised to \$200,000,000.

⁵ Same as (4) except that limit on lending power raised this time to \$700,000,000, not more than \$500,000,000 of which could be loaned to countries of the Western Hemisphere.

⁶ Total authorized capital stock to be \$1,000,000,000—certificates to be issued by the Bank to the President of the United States. Borrowing authority of \$2,500,000,000 to be obtained by issuing notes to the Secretary of the Treasury. Funds over \$1,000,000,000 capital not to be considered capital stock of the Bank. Total capital funds, i. e., loaning authority, to be \$1,000,000,000 + \$2,500,000,000 = \$3,500,000,000.

Mr. CORDON subsequently said: Mr. President, earlier in the afternoon the Senate passed the bill extending the powers of the Export-Import Bank. I believe that the RECORD should carry a copy of the Executive order which created the bank and defined its powers in the first instance. I think it would be more effective and useful in time to come if the RECORD is made complete in that respect. Therefore, I ask unanimous consent that Executive Order No. 6581 of February 2, 1934, creating the bank be printed in the RECORD immediately following the completion of the proceedings of today in connection with the passage of the bill so that the RECORD will be complete at that particular place.

There being no objection, the Executive order was ordered to be printed in the RECORD, as follows:

EXECUTIVE ORDER 6581—AUTHORIZING THE FORMATION OF A BANKING CORPORATION TO BE KNOWN AS EXPORT-IMPORT BANK OF WASHINGTON

Whereas the Congress of the United States has declared that a national emergency exists by reason of widespread unemployment and disorganization of industry; and has declared it to be the policy of Congress to remove obstacles to the free flow of interstate and foreign commerce which tend to diminish the amount thereof, to provide for the general welfare, by promoting the fullest possible utilization of the present productive capacities of industries, to reduce and relieve unemployment, to improve standards of labor, and otherwise to rehabilitate industry; and

Whereas in order to meet said emergency and to provide the relief necessary to protect the general welfare of the people the

Congress has enacted, inter alia, the following acts:

1. National Industrial Recovery Act, approved June 16, 1933;

2. Reconstruction Finance Corporation Act, approved January 22, 1932;

3. Bank Construction Act, approved March 9, 1933; and

Whereas in order effectively and efficiently to carry but the provisions of said acts it is expedient and necessary that a banking corporation be organized with power to aid in financing and to facilitate exports and imports and the exchange of commodities between the United States and other nations or the agencies or nationals thereof;

Now, therefore, under and by virtue of the authority vested in me by the National Industrial Recovery Act of June 16, 1933, it is hereby declared that an agency, to wit: a banking corporation, be created pursuant to title 5, chapter 9, section 261 of the Code of the District of Columbia, under the name of Export-Import Bank of Washington.

The governing body of said corporation shall consist of a board of trustees composed of five members, and the following persons, who have been invited and who have given their consent to serve, shall act as incorporators and shall handle the concerns of the corporation for the first year:

Daniel C. Roper, Secretary of Commerce.
Robert F. Kelley, Chief of the Division of Eastern European Affairs, Department of State.

Chester C. Davis, Administrator, Agricultural Adjustment Administration.

Stanley Reed, General Counsel, Reconstruction Finance Corporation.

Lynn P. Talley, Executive Assistant to the Directors of the Reconstruction Finance Corporation.

The operations of the corporation shall be carried on in the District of Columbia, and the main office of the corporation shall be at 1825 H Street NW., Washington, D. C.

The amount of capital stock of the corporation shall be \$11,000,000, divided into classes and shares as follows:

(1) One million dollars par value of common stock, divided into 10,000 shares of the par value of \$100 each; and

(b) Ten million dollars par value of preferred stock, divided into 10,000 shares of the par value of \$1,000 each.

The Secretary of State and the Secretary of Commerce are hereby authorized and directed to cause said corporation to be formed, with such certificate of incorporation, and bylaws, as they shall deem requisite and necessary to define the methods by which the corporation shall conduct its business.

The persons above named are authorized and directed to subscribe for all of the common capital stock for the use and benefit of the United States, of which amount five shares may be held in the respective names of the initial trustees and their successors if required by the law under which said banking corporation is incorporated.

There is hereby set aside for the purpose of subscribing for the common capital stock of said corporation the sum of \$1,000,000 out of the appropriation of \$3,300,000,000 authorized by section 220 of the National Industrial Recovery Act and made by the Fourth Deficiency Act, fiscal year 1933, approved June 16, 1933 (Public, No. 77, 73d Cong.).

It is hereby further directed that any common stock in said corporation standing on the name of the United States shall be voted by such person or persons as they—the Secretary of State and the Secretary of Commerce—shall appoint as their joint agent or agents for that purpose. Any vacancies occurring in the initial board or trustee shall be filled by the board of trustees, subject to the approval of the President of the United States.

FRANKLIN D. ROOSEVELT.
THE WHITE HOUSE, February 2, 1934.

The PRESIDING OFFICER. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill (H. R. 3771) was ordered to a third reading, read the third time, and passed.

FEDERAL FARM PROGRAMS AND WAR FOOD PRODUCTION

Mr. GUFFEY. Mr. President, it would be a great mistake if the public were led to believe that the new Secretary of Agriculture is a miracle man.

He is an aggressive administrator, and his experience in Congress will contribute to his success. He has received complaints against the inevitable necessities of a wartime program of food production and food consumption, but there is little he can do except consolidate the gains made by his predecessors in securing the remarkable food production of the past 4 years, and try to bring about a better distribution of that food production.

When we hear advice from men who have no accomplishments behind their words demanding that the United States adopt the policy of the dictators in empowering a food czar to enforce a food program on this country, we have nothing new and startling in political philosophy. When Mr. Hoover handled the food situation during the last World War we had 30-cent sugar and only a spoonful to a cup of coffee. We had 90-cent butter, and only enough for the rich to spread on their bread. We had 35-cent gasoline to power the wagons of the big packers when meat was served twice and three times a week.

With a war of dwarf dimensions compared with this one Mr. Hoover, the idol of the reactionaries, increased the food supply of America a mere 5 percent. Yet there are people today who want us to chart our food policies after his program of 1917-18 and forget the fact that we have increased our present food-production program 50 percent above his best record, and 37 percent above our prewar level. This country may be relieved of the thought that we are headed back to Hooverism, to czarism, or to Bromfieldism.

We are not headed back to the days of Hoover, or to the dreams of Bromfield and his works of fiction, or out to the ways of Hitler and Mussolini, autocratic czars and dictators.

The gigantic success of the war-food program has come first from the undisturbed patriotism of the American farmer. He knew what his job was, and he set about to do it, as he was privileged to do under the democratic food program set up by Henry Wallace a decade ago.

These democratic processes were set up 10 years ago, because it was in the early part of the Roosevelt administration that Henry Wallace licked the depression, through the elected representatives of farmers in every community of the country, to carry to the farmer an over-all plan to lift the farmers to a level of parity income.

These are the Democratic committees that carried the war-food program to the American farmers, and having learned to

trust these neighbor committeemen in the past, the farmer responded to the impulses of patriotic service inspired by these committeemen and followed definite goals that have not only produced tremendous quantities of food but have produced the kind of food products most needed by the armed and civilian populations of the earth.

The war-food program has not been a success because of one man or a handful of men. It has been the job of thousands of men, acting as mobilizers of production, and millions of farmers who believed in a democratic system of doing the job.

Mr. Bromfield is a farmer who has been successful during a war boom. He has never farmed through a depression. He says that farmers were not given enough machinery because bunglers at Washington found it necessary to use steel to build a wall of tanks and ships between our boys and the enemy.

It is true that farmers did not have enough machinery to do the job that was given them, but the farmer knew the job had to be done, and he did it with his bare hands when necessary. What little machinery was available, it is true, did not go to the dude ranchers and farms of fiction writers. Committees of farmers met weekly and allocated the few machines that were available to the farms where production demanded the best equipment. The available machinery was allotted to the most productive farms, and that is what counted in the war food goals.

It is probably true that the speed of the war program brought on some inequities and created some misfits in personnel. Every war program brings forth some visionary persons with patriotic fervor to do something for their country. Every war program brings on some mercenary businessmen who want to get on the inside track for the sake of their business.

The war-food program has been saddled with a few dollar-a-year men who never separated their past interests from their war responsibilities. Most, if not all, of these are not now connected with the war food program. Secretary Anderson will move against any visionary and mercenary misfits. He will only fortify the work of the men who have performed so magnificently in the past 10 years.

The variety of agricultural programs devised by Congress in the past decade may be somewhat confusing to farmers—and to the great mass of American citizens.

Secretary Anderson, a man with congressional experience, is eminently fitted to recommend a cure for any evils which an overanxious Congress created through various farm programs during a time when pressure came from all sides for the doing of something to relieve the farm situation.

In new fields of legislation a trial-and-error method is set up to determine which of the farm programs possess the greatest virtues and fulfill the greatest needs; that trial-and-error plan has been tested in the fire of war.

Secretary Anderson will now be able to appraise the systems that have operated to the greatest satisfaction of farmers and with the greatest service to our war program.

The time has come for a just appraisal of all functioning programs and the making of consolidations which will bring about a less confusing picture to farmers and a more economical vehicle of government. When we were fighting a depression and when we were fighting a war we found it necessary to move without too serious regard for economy.

Today—as we face ultimate victory in the not-too-distant future—we must give thought to the consolidations necessary to economies of the postwar period.

The various agricultural acts of the Roosevelt administration seem to have weathered the storm of protest by our political adversaries and to have come through the depression and the war with flying colors.

During our testing period by trial and error we are well satisfied that rural electrification has been successful in bringing the comforts and conveniences of city life to millions of American farmers. The 14 rural-electrification cooperatives of Pennsylvania have brought new meaning to farm life in the Keystone State.

The Farm Security Administration has brought to the underprivileged farmer a chance to live with the more fortunate farmers who, through birth, marriage, or prestige, have financial resources or a backlog of credit for farm operations.

The Soil Conservation Service has taken long strides in saving our soil resources for future generations, and the Agricultural Adjustment Agency and its fundamental democratic farmer-elected committees have brought new fertility with conservation practices, so that uniformly high production comes from farms of a community in the great war-food program.

Farmers have not been told how to do it. They have been shown how, and they have been given the tools with which to do it.

Our war-food program has been successful because the Federal Government has been willing to make an investment in agricultural advancement.

After wealth had been sent from country to city for many generations, the Roosevelt administration provided a way to send some wealth from the city back to the country. Having provided these tools, we now need an organized tool house.

Some States found it profitable, during the depression, to use public-works money for agricultural buildings in each county. All the agricultural programs were housed under one roof.

During the war, a farmer who wanted machinery and credit got them in the same house. If his wife wanted to know how to use a pressure cooker, she went to the Agricultural Building and had the opportunity of watching a demonstration.

With a little auditorium for farm meetings, community or county elections of AAA committeemen, farm-security demonstrations, or 4-H Club round-ups, these buildings gave operating space for the

agricultural programs of a county and fulfilled as worthy a purpose as Federal buildings for the distribution of mail.

As we face the future, we should think about the consolidation of Federal farm programs under one roof and tie that necessity to our plan for postwar developments in connection with public works. Every county in Pennsylvania should have an agricultural building for the convenience and service of Pennsylvania farmers.

CALL OF THE ROLL

Mr. HILL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. CHAVEZ in the chair). The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Alken	Gurney	Murray
Andrews	Hart	Myers
Austin	Hatch	O'Daniel
Ball	Hawkes	O'Mahoney
Barkley	Hayden	Radcliffe
Bilbo	Hickenlooper	Revercomb
Brewster	Hill	Robertson
Briggs	Hoey	Russell
Brooks	Johnson, Colo.	Saltonstall
Euck	Johnston, S. C.	Shipstead
Burton	Kilgore	Smith
Bushfield	La Follette	Stewart
Butler	Langer	Taft
Byrd	Lucas	Taylor
Capehart	McCarran	Thomas, Okla.
Capper	McClellan	Tobey
Chandler	McFarland	Tunnell
Chavez	McKellar	Tydings
Cordon	McMahon	Vandenberg
Donnell	Magnuson	Wagner
Downey	Maybank	Walsh
Eastland	Mead	Wheeler
Ellender	Millikin	Wherry
Ferguson	Mitchell	White
Fulbright	Moore	Wiley
George	Morse	Willis
Guffey	Murdock	Young

The PRESIDENT pro tempore. Eighty-one Senators having answered to their names, a quorum is present.

THE CALENDAR

Mr. HILL. Mr. President, I ask that the Senate proceed to the consideration of measures on the calendar to which there is no objection, beginning where the last call terminated, at No. 450.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the clerk will proceed to call the calendar.

CONVEYANCE OF LANDS TO SPRINGFIELD TOWNSHIP, MONTGOMERY COUNTY, PA.

The bill (H. R. 2285) to authorize the Secretary of Agriculture to grant and convey to Springfield Township, Montgomery County, Pa., certain lands of the United States in Springfield Township, Montgomery County, Pa., for highway purposes and for ornamental-park purposes was considered, ordered to a third reading, read the third time, and passed.

CONSTRUCTION OF RURAL POST ROADS

The bill (H. R. 169) to amend sec. 8 of the act entitled "An act to amend the act entitled 'An act to provide that the United States shall aid the States in the construction of rural post roads'" was considered, ordered to a third reading, read the third time, and passed.

RECOGNITION OF SERVICE OF MERCHANT SAILORS

The bill (H. R. 2581) to amend the act entitled "An act to provide for the issuance of devices in recognition of the services of merchant sailors was considered, ordered to a third reading, read the third time, and passed.

PAPERS RELATING TO THE TERRITORIES OF THE UNITED STATES

The bill (H. R. 2522) to authorize the Secretary of State to continue to completion the collecting, editing, and publishing of official papers relating to the Territories of the United States was considered, ordered to a third reading, read the third time, and passed.

CLAIMS FOR DAMAGES OCCASIONED BY ARMY, NAVY, AND MARINE CORPS

The bill (S. 936) to amend the act approved January 2, 1942, as amended by the act approved April 22, 1943, entitled "An act to provide for the prompt settlement of claims for damages occasioned by Army Navy, and Marine Corps forces in foreign countries" was announced as next in order.

The PRESIDENT pro tempore. This bill is the same as Calendar No. 490, House bill 3111; and, without objection, the Senate will proceed to the consideration of the House bill.

There being no objection, the bill (H. R. 3111) to amend the act approved January 2, 1942, as amended, approved April 22, 1943, entitled "An act to provide for the prompt settlement of claims for damages occasioned by Army, Navy, and Marine Corps forces in foreign countries" was considered, ordered to a third reading, read the third time, and passed.

The PRESIDENT pro tempore. Without objection, Senate bill 936 will be indefinitely postponed.

SHORE-LINE INVESTIGATION

The Senate proceeded to consider the bill (H. R. 2032) authorizing general shoreline investigation at Federal expense and to repeal an act for the improvement and protection of the beaches along the shores of the United States, approved June 26, 1936.

Mr. AUSTIN. Mr. President, I move to amend the bill on page 2, line 10, after the name "Lakes" and the comma, by inserting the words "Lake Champlain." I have taken the matter up with the Senator from Wyoming [Mr. ROBERTSON], who reported the bill, and the amendment is entirely satisfactory to him.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Vermont.

The amendment was agreed to. The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

TERMS OF THE UNITED STATES DISTRICT COURT, DISTRICT OF NEVADA

The bill (S. 940) to provide for terms of the District Court of the United States

for the District of Nevada was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 94 of the Judicial Code, as amended (U. S. C., title 28, sec. 174), is amended to read as follows:

"The State of Nevada shall constitute one judicial district, to be known as the district of Nevada. Terms of the district court shall be held at Carson City on the first Mondays in February and May, at Las Vegas on the first Mondays in March and October, at Reno on the first Mondays in January and June, and at Elko on the first Monday in November: *Provided*, That suitable accommodations for holding court at Elko shall be provided by the local authorities but only until such time as such accommodations shall be provided upon the recommendation of the Director of the Administrative Office of the United States Courts in a public building or other quarters provided by the Federal Government for such purpose."

MEDALS TO NEXT OF KIN OF PERSONS IN THE MILITARY OR NAVAL SERVICE

The Senate proceeded to consider the joint resolution (S. J. Res. 49) authorizing the presentation of medals to the widows, children, or mothers of persons who lose their lives in the military or naval service during World War II, which had been reported from the Committee on Military Affairs, with amendments, on page 1, line 6, after the words "to the", to strike out "widow, or if there is no surviving widow to the eldest child, or if there is no surviving widow or child to the mother" and to insert "next of kin"; in line 9, after the word "life", to insert "in line of duty"; on page 2, line 1, after the word "serving", to strike out "on active duty" and to insert "actively"; and on page 2, line 5, after the period, to insert "For the purposes of this act, the next of kin of any such person shall be deemed to be the first mentioned of any of the following who survive such person: Widow or widower, eldest son, eldest daughter, father, mother, eldest brother, eldest sister, eldest grandchild", so as to make the bill read:

Resolved, etc., That the Secretary of War and the Secretary of the Navy are authorized and directed to cause to be prepared at the United States Mint a medal of such design as may be approved by the President for presentation to the next of kind of each person who shall have lost his or her life in line of duty while serving actively in the military or naval forces of the United States during the period beginning on December 7, 1941, and ending on the date of the termination of the present war as proclaimed by the President. For the purposes of this act, the next of kin of any such person shall be deemed to be the first mentioned of any of the following who survive such person: Widow or widower, eldest son, eldest daughter, father, mother, eldest brother, eldest sister, eldest grandchild.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "Joint resolution authorizing the presentation of medals to the next of kin of persons who lose their lives in line of duty in the military or naval service during World War II."

REGULATION OF PRICING OF FISH OR SEA FOOD

The Senate proceeded to consider the bill (S. 1204) to amend subsection (e) of section 3 of the Emergency Price Control Act of 1942, as amended, to require that the approval in writing of the Secretary of Agriculture be obtained before any action is taken under such act with respect to fish or other sea food or with respect to any regulation, order, price schedule, or other requirement applicable to any processor with respect to any food or feed product processed or manufactured in whole or substantial part from fish or other sea food, which was read, as follows:

Be it enacted, etc., That subsection (e) of section 3 of the Emergency Price Control Act of 1942, as amended, is amended by adding at the end thereof the following new sentence: "For the purposes of this subsection, fish and other sea food shall be deemed to be agricultural commodities."

Mr. ELLENDER. Mr. President, may we have an explanation of the bill?

Mr. BREWSTER. As the sponsor of the bill, I am glad to explain its purpose.

It is designed to require that in conducting the responsibilities concerning food production and distribution the Secretary of Agriculture shall exercise in respect to fish exactly the same powers which have been bestowed upon him in connection with agricultural products. I think this meets with the unanimous approval of all the fishing interests of the country. The bill was considered by the Committee on Banking and Currency, and is designed to alleviate in some degree the difficulties of the present situation. I hope the bill may be passed.

The PRESIDING OFFICER (Mr. MURDOCK in the chair). The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

NATIONAL MEMORIAL STADIUM

The Senate proceeded to consider the joint resolution (S. J. Res. 83) to authorize the Federal Works Administrator to advance discretionary apportionment funds to be used for the purpose of making plans for the National Memorial Stadium as a postwar project, which had been reported from the Committee on the District of Columbia, with an amendment, on page 1, line 3, after the word "That", to strike out "\$600,000" and to insert "\$150,000", so as to make the joint resolution read:

Resolved, etc., That \$150,000 of the funds appropriated for the Federal Works Agency by the Independent Offices Appropriation Act, 1946, for the purpose of enabling such agency to carry out the provisions of title V of the War Mobilization and Reconversion Act of 1944 shall be available only for the purpose of enabling the Federal Works Administrator to make advances to the commission appointed pursuant to the provisions of the joint resolution entitled "Joint resolution to consider a site and design for a National Memorial Stadium to be erected in the District of Columbia," approved December 20, 1944. Any such advances to the commission shall be available for expenditure by the commission to enable it to make the necessary

architectural, engineering, and economic investigations, studies, and surveys, and to prepare appropriate designs, plans, working drawings, and specifications for the establishment in the District of Columbia of an athletic field and stadium as a memorial to the men and women who gave their lives while serving as members of the armed forces during World War I and World War II. Such advances may be made without regard to the provisions of so much of section 501 (b) of such War Mobilization and Reconversion Act of 1944 as relates to the apportionment of funds appropriated for the purpose of making loans or advances under title V of such act. In the event that funds are hereafter obtained by the commission from private sources for use in the construction of such athletic field and stadium, the advances made pursuant to this joint resolution shall be repaid to the Federal Works Administrator from such funds, and upon such repayment shall be covered into the Treasury as miscellaneous receipts.

Mr. BYRD. Mr. President, I should like to have an explanation of the joint resolution.

Mr. BILBO. This joint resolution, introduced by the junior Senator from Ohio [Mr. BURTON], the junior Senator from New York [Mr. MEAD], and myself, provides for the investigation of the national memorial stadium project, to enable the Federal Works Agency to carry out the provisions of the Reconversion Act of 1944, title V, in which provision was made for the appropriation of \$17,500,000 to the States and the District of Columbia, Alaska, Hawaii, and Puerto Rico, to make surveys, investigations, architectural, engineering, and so forth, on postwar projects.

Upon investigation we found that this national project which we hope to establish in the Nation's Capital, in which the 48 States of the Union are justly interested and of which they are proud, was not eligible so that General Somervell could consider advancing the necessary funds to make the survey.

This is the reason for the measure. The plan respecting the National Stadium is not that Congress shall build it, although it will be located in Washington in the District of Columbia. The money is not coming from the Government, but the plan is that private enterprise shall put up the money to build the stadium. Before the commission can even make a report on it to the Congress, or before the proposition can be presented to any financial syndicate to provide the funds to build this National Memorial Stadium it is necessary that blueprints, specifications, and all details are worked out so as to be able to present to any national organization the feasibility of the plan, the fact that the project is self-liquidating, and would be a wise investment. The measure is only to make the stadium eligible along with thousands of other projects throughout the Nation.

Mr. BYRD. Can the Senator point out where in the joint resolution it is required that the construction of this building shall be by private funds?

Mr. BILBO. Will the Senator repeat the question?

Mr. BYRD. What language provides that the stadium shall be constructed with private funds?

Mr. BILBO. I do not have the measure before me, but it is provided in a joint resolution passed by the House creating the Stadium Commission, which is composed of three Senators, three Representatives, and three individuals to be appointed by the District Commissioners. It provides that they shall devise a self-liquidating financial scheme to build the stadium.

Mr. BYRD. Will the Senator permit the measure to be passed over temporarily?

Mr. BILBO. Very well.

Mr. BYRD. I should like the Senator to show me the provision that this expenditure shall be paid for by private funds.

Mr. BILBO. I shall obtain the information requested.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. BILBO. I yield.

Mr. CORDON. I note from the report on Senate Joint Resolution 83 that, I quote:

The purpose of this resolution is to allow the Federal Works Administrator in his discretion to make the National Memorial Stadium eligible for an allocation of funds.

Mr. BILBO. That is the purpose of the resolution, yes.

Mr. CORDON. I note that the joint resolution itself provides, I quote:

That \$150,000 of the funds appropriated for the Federal Works Agency by the Independent Offices Appropriation Act, 1946, for the purpose of enabling such agency to carry out the provisions of title V of the War Mobilization and Reconversion Act of 1944 shall be available only for the purpose of enabling the Federal Works Administrator to make advances.

That language would appear to earmark the total amount for that specific purpose and leave it available in the hands of the Administrator for no other purpose.

Mr. BILBO. If the Senator would present an amendment the purpose of which is to make it compulsory on the part of the Administrator to permit the Commission to have so much of that sum as is necessary I shall be glad to accept it.

Mr. CORDON. I simply asked the Senator whether the joint resolution intended to rest that discretion in the Administrator or whether it was intended to earmark the total amount.

Mr. BILBO. It was the intention of the committee, and the intention of all of us, that the matter would still be left to the discretion of General Fleming, who is the head of the war funds.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. BILBO. I yield.

Mr. ELLENDER. As I have understood from private conversations I have had with the Senator from Mississippi, this is merely an advance which is proposed to be made, and it will be repaid if and when the stadium is built from private funds; is that correct?

Mr. BILBO. That is correct. The last sentence of the joint resolution provides:

In the event that funds are hereafter obtained by the commission from private sources for use in the construction of such athletic field and stadium, the advances made

pursuant to this joint resolution shall be repaid to the Federal Works Administrator from such funds, and upon such repayment shall be covered into the Treasury as miscellaneous receipts.

Mr. BYRD. I ask that the joint resolution be passed over temporarily.

The PRESIDENT pro tempore. The joint resolution will be passed over.

AMENDMENT OF BONNEVILLE PROJECT ACT—BILL PASSED OVER

The bill (H. R. 2690) to amend the Bonneville Project Act was announced as next in order.

Mr. MAGNUSON. Mr. President, I shall ask that the bill be passed over, but I wish to make an explanation to the Senate. The bill is a very important one to the Senators from Oregon, the Senators from Washington, and to the Bonneville Authority. It includes many provisions which have been unanimously agreed upon by the House and Senate Commerce Committees.

One section of the bill was in some dispute. It involves a controversy between the Attorney General and the attorneys of the Bonneville Authority as to the question of what legal authority will be given these attorneys. Since the bill was reported from the committee day before yesterday the Attorney General and the Bonneville attorneys have had and are having conferences in which they are attempting to iron out their difficulties and present to us an amendment.

I wish to serve notice on the Senate that in view of the importance of the bill I shall ask unanimous consent to bring it up out of order some time next week after consideration of the San Francisco Charter is concluded, in order that this important legislation may be passed.

I now ask that it be passed over.

The PRESIDENT pro tempore. The bill will be passed over.

HERMAN GELB

The bill (H. R. 838) for the relief of Herman Gelb, was considered, ordered to a third reading, read the third time, and passed.

MRS. MINNIE A. BELTZ

The Senate proceeded to consider the bill (S. 542) for the relief of Mrs. Minnie A. Beltz, which had been reported from the Committee on Claims, with amendments, on page 1, line 6, after the words "sum of" to strike out "\$10,000" and insert "\$5,000" and at the end of the bill to add a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Minnie A. Beltz, Seattle, Wash., the sum of \$5,000. The payment of such sum shall be in full settlement of all claims of the said Mrs. Minnie A. Beltz against the United States on account of personal injuries sustained on August 18, 1944, when she was struck while crossing Aurora Avenue at the intersection of Halladay Street, Seattle, Wash., by a United States Navy station wagon: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the

provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

SAM D. MOAK

The bill (H. R. 1486) for the relief of Sam D. Moak, was considered, ordered to a third reading, read the third time, and passed.

SOUTHWESTERN DRUG CO.

The bill (H. R. 1856) for the relief of the Southwestern Drug Co., was considered, ordered to a third reading, read the third time, and passed.

MORGAN CREAMERY CO.

The bill (H. R. 952) for the relief of the Morgan Creamery Co., was considered, ordered to a third reading, read the third time, and passed.

MRS. LUCILE MANIER AS ADMINISTRATRIX OF THE ESTATE OF JOE MANIER

The bill (H. R. 2725) for the relief of Mrs. Lucile Manier as administratrix of the estate of Joe Manier, was considered, ordered to a third reading, read the third time, and passed.

L. S. STRICKLAND

The bill (H. R. 246) for the relief of L. S. Strickland, was considered, ordered to a third reading, read the third time, and passed.

RECEIVER OF NORTH JERSEY UTILIZATION & SEWERAGE DISPOSAL PLANT, INC.

The bill (H. R. 795) for the relief of the duly appointed receiver of North Jersey Utilization & Sewerage Disposal Plant, Inc., or to such other person or persons as are legally authorized to collect the assets thereof, was considered, ordered to a third reading, read the third time, and passed.

JOHN R. JENNINGS

The bill (S. 1265) for the relief of John R. Jennings was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to John R. Jennings, South Jacksonville, Fla., the sum of \$5,000. The payment of such sum shall be in full settlement of all claims of the said John R. Jennings against the United States on account of personal injuries and damage to his automobile sustained on April 22, 1943, near Camp Blanding, Fla., when such automobile was struck by a United States Army vehicle: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

HUGH P. GUNNELLS AND MRS. DEZAREE GUNNELLS

The bill (H. R. 2226) for the relief of Hugh P. Gunnells and Mrs. Dezaree Gun-

nells was considered, ordered to a third reading, read the third time, and passed.

ESTATE OF MRS. MARY KARALIS

The bill (H. R. 3419) for the relief of the estate of Mrs. Mary Karalis was considered, ordered to a third reading, read the third time, and passed.

JURISDICTION TO HEAR CLAIM ARISING OUT OF DEATH OF L. W. FREEMAN

The bill (S. 1199) conferring jurisdiction upon the United States District Court for the Middle District of North Carolina to hear, determine, and render judgment upon any claim arising out of the death of L. W. Freeman, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred upon the United States District Court for the Middle District of North Carolina to hear, determine, and render judgment as if the United States were subject to suit in tort, upon any claim against the United States arising out of the death of L. W. Freeman, late of Dobson, N. C., who was killed January 29, 1938, near Dobson, N. C., when the automobile which he was driving was struck by a Civilian Conservation Corps truck operated by one Paul J. Flynn: *Provided*, That the judgment, if any, shall not exceed a total sum of \$5,000.

Sec. 2. Suit upon such claim may be instituted at any time within 1 year after the enactment of this act, notwithstanding the lapse of time or any statute of limitations. Proceedings for the determination of such claim, appeals therefrom and payment of any judgment thereon, shall be in the same manner as in the cases over which such court has jurisdiction under the provisions of paragraph 20 of section 24 of the Judicial Code, as amended.

Sec. 3. The act entitled "An act conferring jurisdiction upon the United States District Court for the Middle District of North Carolina to hear, determine, and render judgment upon the claim of Etta Houser Freeman," approved June 26, 1943, is hereby repealed.

ESTATE OF MRS. LILLIAN EPSTEIN

The bill (S. 979) for the relief of the estate of Mrs. Lillian Epstein was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the estate of Mrs. Lillian Epstein, the sum of \$5,000, in full settlement of all claims against the United States on account of the injury and death of Mrs. Lillian Epstein as the result of an accident which occurred on September 26, 1944, on Wadsworth Avenue, 40 feet south of One Hundred and Seventy-ninth Street, New York, City, N. Y., when the said Mrs. Lillian Epstein was struck by a United States mail truck: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction shall be fined in any sum not exceeding \$1,000.

MR. AND MRS. ERNEST L. BARLOW

The Senate proceeded to consider the bill (S. 1023) for the relief of Mr. and Mrs. Ernest L. Barlow, which had been

reported from the Committee on Claims with an amendment at the end of the bill to add a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Ernest L. Barlow, Issaquah, Wash., the sum of \$250, and to Mrs. Ernest L. Barlow, the sum of \$250. The payment of such sums shall be in full settlement of all claims against the United States on account of personal injuries sustained on November 22, 1941, by the said Ernest L. Barlow, by his wife, Dorothy M. Barlow, and by his minor child, Dolores J. Barlow, when the automobile in which they were riding on Hazelwood Highway between Renton and Lake Washington Bridge, King County, Wash., was struck by a United States Army truck: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

WIDOW AND THREE CHILDREN OF GREENFIELD PAYNE

The Senate proceeded to consider the bill (H. R. 1851) for the relief of the widow and three children of Greenfield Payne, which had been reported from the Committee on Claims, with an amendment to the title.

The bill was ordered to a third reading, read the third time, and passed.

The title was amended so as to read: "An act for the relief of the estate of Greenfield Payne."

HASELDEN & HUGGINS CO.

The bill (H. R. 2621) for the relief of Haselden & Huggins Co. was considered, ordered to a third reading, and passed.

FRED CRAGO

The bill (H. R. 2763) for the relief of Fred Crago was considered, ordered to a third reading, read the third time, and passed.

EARL J. SHOWS

The bill (H. R. 2529) for the relief of Earl J. Shows was considered, ordered to a third reading, read the third time, and passed.

MRS. RITA CAUVIN GREEN

The bill (H. R. 2866) for the relief of Mrs. Rita Cauvin Green was considered, ordered to a third reading, read the third time, and passed.

MRS. HIBERNIA I. CONNERS

The Senate proceeded to consider the bill (S. 1027) for the relief of Mrs. Hibernia I. Connors, which had been reported from the Committee on Claims, with an amendment, on page 1, line 6, after the words "the sum of", to strike out "\$10,000" and insert "\$3,000", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not

otherwise appropriated, to Mrs. Hibernia I. Connors, of Memphis, Tenn., the sum of \$3,000, in full satisfaction of her claim against the United States for compensation for personal injuries sustained by her on December 6, 1944, when the automobile in which she was riding was struck by an Army vehicle driven by a civilian employee of the War Department, at the intersection of East Parkway South and Union Avenue, in Memphis, Tenn.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MADLINE WINTER AND ETHEL NEWTON

The bill (H. R. 1301) for the relief of Madeline Winter and Ethel Newton was considered, ordered to a third reading, read the third time, and passed.

JOHN F. DAVIS

The bill (H. R. 1245) for the relief of John F. Davis was considered, ordered to a third reading, read the third time, and passed.

ALASKA D. JEANNETTE

The bill (H. R. 1346) for the relief of Alaska D. Jennettee was considered, ordered to a third reading, read the third time, and passed.

REIMBURSEMENT TO CERTAIN FRUIT GROWERS FOR DAMAGE AS A RESULT OF MEDITERRANEAN FRUITFLY ERADICATION

The bill (S. 1250) for the relief of certain claimants who suffered losses and sustained damages as the result of the campaign carried out by the Federal Government for the eradication of the Mediterranean fruitfly in the State of Florida was announced as next in order.

Mr. VANDENBERG. Let the bill go over.

Mr. AIKEN. Mr. President, I have been a Member of the Senate for 4½ years. Periodically this bill comes up on the calendar and is objected to by the Senator from Michigan. I have some knowledge of the conditions which existed at that time among the fruit growers, and with respect to the Mediterranean fruitfly scare. I realize that a great many small fruit growers had their entire season's work wiped out by the Government, for reasons over which they themselves had no control whatsoever. I am wondering if the Senator from Michigan can tell us why he objects to this bill, which would reimburse the small fruit growers—and I presume some large ones, too—for their losses caused by the Government at that time.

Mr. VANDENBERG. Mr. President, the President pro tempore of the Senate could answer this question even more eloquently than I could. Since we are in somewhat of a hurry this afternoon, I think it is hardly worth while to enter upon a discussion of the question. Let me say generally that the Senator from

Tennessee [Mr. McKellar] and I seriously doubt the responsibility of the Government for the loss.

Mr. AIKEN. It is entirely possible that the Government might not have been legally responsible for the loss; but when it wipes out the year's work of a man, his family, and the help which he has hired, for a reason which later proves to be groundless, it seems to me that the Government should assume some responsibility. I do not know any of the particulars with respect to the individual cases in Florida. I know the general condition which prevailed at that time, and I know about the scare over the Mediterranean fruitfly, which later passed away. Many persons lost their year's earnings. That is why I wonder whether the Government should not assume some responsibility, even though technically and legally it perhaps had the right to destroy the crops at that time.

Mr. VANDENBERG. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

Mr. AIKEN. Mr. President, let me say that I think it is a long way from a Mediterranean fruitfly to the San Francisco Charter for World Organization. That is all I have to say.

The PRESIDENT pro tempore. The clerk will state the next business on the calendar.

DR. JABEZ FENTON JACKSON AND MRS. NARCISSE WILMANS JACKSON

The Senate proceeded to consider the bill (H. R. 2699) for the relief of Dr. Jabez Fenton Jackson and Mrs. Narcissa Wilmans Jackson, which had been reported from the Committee on Claims with an amendment on page 1, line 6, after the words "the sum of" to strike out "\$525.30" and insert "\$50."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

CLARENCE J. SPIKER AND FRED W. JANDREY

The bill (H. R. 3417) for the relief of Clarence J. Spiker and Fred W. Jandrey, was considered, ordered to a third reading, read the third time, and passed.

JURISDICTION TO DETERMINE CLAIM OF LEWIS E. MAGWOOD

The bill (H. R. 3175) to confer jurisdiction upon the United States district court for the eastern district of South Carolina to determine the claim of Lewis E. Magwood was considered, ordered to a third reading, read the third time, and passed.

BOROUGH OF BEACH HAVEN, OCEAN COUNTY, N. J.

The bill (H. R. 1595) for the relief of the borough of Beach Haven, Ocean County, N. J., was considered, ordered to a third reading, read the third time, and passed.

ESTATE OF GEORGE J. ROSS

The bill (S. 788) for the relief of the estate of George J. Ross, was considered,

ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the estate of George J. Ross, of Salt Lake City, Utah, the sum of \$5,000, in full satisfaction of the claim of such estate against the United States for compensation for the death of the said George J. Ross, as a result of personal injuries sustained by him when the automobile in which he was riding collided with a Government-owned automobile driven by an employee of the Federal Public Housing Authority in the performance of his official duties, near Farmington, Utah, on March 20, 1944: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

PAYMENT OF CLAIMS ARISING FROM ARMY ACTIVITIES

The bill (S. 1183) to authorize payment of certain claims for damage to or loss or destruction of property arising from activities of the War Department or of the Army was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Crecencio L. Garcia, of Jemes, N. Mex., \$5; to Oscar L. Horton, of Athol, Mass., \$64.50; to Royal Insurance Co., Ltd., of Seattle, Wash., \$245.25; to Robert D. Myers, of Indiana, Pa., \$37.50; to Pearl Spaulding, of Daytona Beach, Fla., \$45; to H. R. Potter, of Austin, Tex., \$49.70; to Maria W. Atwood, of Franklin, N. H., \$450; to the River Lines, of San Francisco, Calif., \$1,000; to Corey Brothers, of Charleston, W. Va., \$293.62; to the American Automobile Fire Insurance Co., of Detroit, Mich., \$42.57; and to Kui T. Ching, of Honolulu, T. H., \$482.40. The payment of said sums shall be in full settlement of all claims of the claimants named above against the United States for damage to or loss or destruction of property caused by military personnel or civilian employees of the War Department or of the Army, or otherwise incident to noncombat activities of the War Department or of the Army, determined by the Secretary of War to be meritorious, which are not payable under the provisions of the act of July 3, 1943 (57 Stat. 372; 31 U. S. C. 223b), entitled "an act to provide for the settlement of claims for damage to or loss or destruction of property or personal injury or death caused by military personnel or civilian employees, or otherwise incident to activities, of the War Department or of the Army": *Provided,* That no part of the amounts appropriated in this act in excess of 10 percent of any claim shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with such claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

MANPOWER IN THE BITUMINOUS COAL INDUSTRY

The concurrent resolution (S. Con. Res. 21) urging the War Department

and the War Manpower Commission to take immediate action to assure manpower in the bituminous-coal industry adequate to attain the needed coal production and for other purposes, was announced as next in order.

Mr. GURNEY. Mr. President, reserving the right to object, I know that the concurrent resolution reached the Calendar only yesterday. I have not had time to study all my objections to it; but my main objection originated a long time ago when the Congress enacted the selective-service law. At that time we made every effort to be sure that no class deferments were made. The concurrent resolution would disturb that policy, in my opinion, for it would give a furlough from combat duty or from service anywhere in the Army to those selected to work in the coal mines.

I realize that this is a concurrent resolution, and not a bill, requiring the Army and the Navy to discharge or furlough certain men, but still it is a statement by the Congress which would be viewed with some concern by the military forces. Certainly, if these men were to be discharged; others would have to be found elsewhere in our population to take their places in the Army and Navy. I believe that if we are to consider deferring classes of men who work in any particular industry, we should thoroughly consider the entire question. No hearings were held in the Committee on Military Affairs on the concurrent resolution.

Other industries need help. I mention one which is critically short of manpower, namely, the agricultural industry. Farmers in the Middle West need men. We hear from them every day. Boys are being taken from the farms where production is actually curtailed by reason of the boys leaving the farms. The lumber industry is another such industry, as is the fishing industry. I could name many such industries. Therefore I believe I shall have to object to the consideration of the concurrent resolution.

Mr. REVERCOMB. Mr. President, will the Senator withhold his objection until I make a statement?

Mr. GURNEY. I am glad to withhold my objection for a moment.

Mr. REVERCOMB. Mr. President, the concurrent resolution was submitted by my colleague the senior Senator from West Virginia [Mr. KILGORE]. I heartily joined him in the purpose of it.

As has been stated, this is a concurrent resolution, and not a direction or command of the Congress. It is simply an expression of the sense of the Congress as to what should be done. Let me say to the Senator that the concurrent resolution would not involve the discharge of any men in the Army who are not entitled to discharge under the point system. The first request in the concurrent resolution is that the discharge of 10,000 men in the Army who are already entitled to discharge be expedited so that they may return to the coal mines; secondly, that 20,000 men within the continental United States—not outside, not in the foreign field of action—who may be spared from service be furloughed if they desire to return to the mines and are mine workers.

I point out that the coal situation in this country is very critical. I am advised today that the Secretary of the Interior, Mr. Ickes, is very much in favor of the concurrent resolution, and is quite hopeful that it will be agreed to by the Senate and by the House of Representatives. He knows quite well the situation which exists in the production of the necessary fuel for the winter. Let me say to my friend from South Dakota that the time is at hand when coal must be produced for the needs of the coming winter.

Our ally, England, did this very thing long ago, when she released from her military forces the miners and returned them to the mines in order to produce fuel for the nation.

I realize that there is a shortage of men in many industries. I realize that we shall have to put up with some shortages for a time. But coal is needed in the war effort, and is also needed to keep the people of this country warm. The fuel-production program for the Nation is in a very hazardous situation.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. REVERCOMB. I yield.

Mr. BARKLEY. In the report on the concurrent resolution it is stated, as we know—and I think it might be well to call attention to this point, in support of the Senator's position—that the miner of coal is engaged in an expert occupation. A shortage of labor in the coal mines cannot be supplied by the employment of just anyone. That situation is not true with respect to many other occupations.

In view of the shortage of coal, which everyone admits, and in view of the inability to supply the labor needed in the coal mines from the general community or from other occupations, probably it is sensible that this body of expert men who know mining, but who now are in the Army, should be released for that purpose, in order that there may be a sufficient supply of coal to meet the demands during the coming winter for coal for war purposes and for domestic purposes. It seems to me that situation emphasizes the importance of this proposed legislation and takes it out of the category of legislation relative to occupations in other industries where there is a shortage which is not comparable to the shortage in the coal industry.

Mr. REVERCOMB. Mr. President, I am glad to hear the majority leader make that statement, and I concur in it. It is a known fact that the coal-mining industry is an unusual one. A man who is to be a coal miner must almost be raised in the mines. He must know his work.

This measure would take, by means of furlough, from those serving in the armed forces and now within this country, only men who have worked in the mines and who wish to go back there and work, and who will work in the mines during the time of their furloughs.

Adoption of the concurrent resolution is requested because we face a national emergency situation which must be met or else we will suffer nationally.

I hope the Senator from South Dakota will not insist on his objection, and I hope we may proceed to consider and to adopt the concurrent resolution which, as I have said, is but a request. I was informed only a few months ago that its adoption is urged by one who knows this situation and who apprehends what lies ahead. We should let the furloughing of the 10,000 men who are all ready for discharge under the point system be expedited so that they may return at once, so that those men, who are to be used as miners, may go on furlough and may, by working in the mines, produce the coal needed by this country.

We are asking that that be done. Of course, if it cannot be done, if the War Department says that their use in the way requested will not fit into the plan for conducting the war, the War Department will not need to comply with the request. The War Department would not be commanded to do so; it would not be directed or ordered by law to do so. But the country needs the services of these men in the mines and needs them now. That is, indeed, the greatest service for national good that these men may be called upon to perform.

Mr. President, I hope the concurrent resolution will be adopted.

Mr. GURNEY. I should like to make one further statement. It is simply impossible for me to agree that the concurrent resolution be adopted. In fact, the matter is so serious that I would wish to have a yea-and-nay vote on it. We have not heard from the other interested party affected by the measure. The Secretary of the Interior says he needs the men for coal mining. I should like to call up the Secretary of Agriculture and find out whether men are needed on the farms. I should like to ask Mr. Ickes whether he needs men in the lumber camps, and I should like to ask a few others whether they think men are needed elsewhere.

However, the group which has been left entirely out of consideration are the military forces who would be so vitally affected. While the concurrent resolution merely provides that the War Department be urged to do these things, still it is rather hard for the Military Establishment to get around a request by the Congress.

Therefore, Mr. President, I repeat my objection.

The PRESIDENT pro tempore. Objection being heard, the concurrent resolution will be passed over.

Mr. BARKLEY. That completes the calendar.

The PRESIDENT pro tempore. The Chair desires to state that the short form by which the measures on the calendar were passed was used because practically all of them are claims bills. For that reason the short form was used.

REFERENCE OF MISSOURI VALLEY AUTHORITY BILL—RESOLUTION INDEFINITELY POSTPONED

Mr. BARKLEY. Mr. President, I move that the Senate proceed to consider House Joint Resolution 145, Calendar No. 353.

Mr. McCARRAN. Mr. President, before the Senator makes that motion, will he yield to me, so that I may make a motion regarding a resolution on the calendar which I desire to have removed from the calendar?

Mr. BARKLEY. I yield for that purpose.

Mr. McCARRAN. I refer to Senate Resolution 93, which is found on the calendar under the heading "Subjects on the table." Adoption of that resolution has now become unnecessary, because by agreement the bill affected by the resolution was referred to the Committee on Irrigation and Reclamation.

Therefore, Mr. President, I move that Senate Resolution 93 be indefinitely postponed.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Nevada.

The motion was agreed to.

NOTICE OF CONSIDERATION OF PUBLIC AIRPORTS BILL

Mr. McCARRAN. Mr. President, will the Senator from Kentucky yield to me, so that I may make a statement with regard to Senate bill 2, Calendar No. 220?

Mr. BARKLEY. That measure was not called during today's call of the calendar.

Mr. McCARRAN. That is correct; it was not.

The PRESIDENT pro tempore. The call of the calendar commenced with Calendar No. 450.

Mr. McCARRAN. I merely asked the Senator from Kentucky to yield to me so that I might make a statement regarding the bill.

Mr. President, I refer to Senate bill No. 2, the so-called airport bill. I wish the Senate to know that as soon as possible after the Senate reconvenes following the approaching recess, the Senator in charge of the bill will attempt to have it brought before the Senate for consideration.

APPLICATION OF PROVISIONS OF EXPORT-IMPORT BANK BILL TO THE PHILIPPINES

Mr. TYDINGS. Mr. President, will the Senator from Kentucky yield to me before he makes his motion, so that I may make a statement?

Mr. BARKLEY. I yield.

Mr. TYDINGS. A while ago the Senate passed the Export-Import Bank bill. While the bill was pending before the Senate it was brought out that perhaps the Philippine Islands would not be entitled to participate with other foreign nations in receiving the benefit of the bill. It was suggested that an amendment to the bill including the Philippine Islands be adopted. Because the adoption of such an amendment would have taken the bill to conference and would thus perhaps delay or kill the whole legislation, the Senator from Maryland did not offer the amendment, but on this subject he would like to offer a concurrent resolution and call for its immediate consideration. I believe it would bring on no debate. It would correct the situation referred to, so that when the bill is finally enacted the desired result relative to the Philippine Islands may be obtained.

Mr. BARKLEY. Mr. President, it is likely that the Senate will be in session practically all afternoon. The measure for which I am about to move consideration by the Senate has been on the calendar for some time, and farmers and farm groups in the United States are interested in having action taken on it. I think we should proceed to its consideration now.

MEMBERSHIP OF THE UNITED STATES IN THE FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS

The PRESIDENT pro tempore. Does the Senator from Kentucky make his motion at this time?

Mr. BARKLEY. Mr. President, I therefore move that the Senate proceed to the consideration of Calendar No. 353, House Joint Resolution 145, providing for membership of the United States in the Food and Agriculture Organization of the United Nations. The joint resolution has been reported from the committee without amendment.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Kentucky.

Mr. REVERCOMB. Mr. President, I find myself compelled to object to adoption of the motion to proceed to the consideration of the measure at this time because it deals with one of the arrangements by which this country would enter into another international compact. The measure would be so far-reaching in its effect on the people of this country, particularly those engaged in agriculture, that I think it should be given most careful and extended consideration.

In order that the Senate may know what passage of the joint resolution would mean, I desire to call attention to a conference which was held at Hot Springs, Va. Some Members of the Senate will remember it, and, of course, it has heretofore been referred to. In the month of May 1943 the representatives of approximately 20 nations met at Hot Springs, Va., in what was known as a United Nations Conference on Food and Agriculture. Many Senators will recall that it was a very secret and guarded conference. At that time the press announced to the people of this country that the reporters and other representatives of the press were not allowed to go near those meetings. The sessions were held behind closed doors. Soldiers were stationed on the grounds of the hotel in which the meeting was being held.

Out of that meeting came what is known as the Final Act and Section Reports of the United Nations Conference on Food and Agriculture. I wish to invite the attention of the Senate, and particularly of those Senators who are interested in agriculture and come from agricultural States, to some of the provisions and recommendations which are contained in the report.

On page 23 of the report I find in section XXII the following:

Occupational adjustments in rural populations. The United Nations Conference on Food and Agriculture—

Mr. LANGER. Mr. President, from what page of the report is the Senator reading?

Mr. REVERCOMB. From page 23.

Mr. LANGER. In the copy which I hold before me there is no page 23.

Mr. REVERCOMB. The Senator must be reading from a different copy because I am reading from page 23 of the report which I have before me.

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. REVERCOMB. I yield.

Mr. AUSTIN. I invite attention of the Senator from West Virginia to the fact that the report which he has before him is not accurate, and does not reflect what is now before the Senate. The report which the Senator has before him relates merely to the beginning of the negotiations which were ultimately submitted to 44 separate countries, and subsequently came back in a quite different form. If the Senator wishes to address himself to the matter before him, he will find Report No. 353, accompanying House Joint Resolution 145, relates to the matter now before the Senate. The report which the Senator has before him has been greatly changed.

Mr. REVERCOMB. Mr. President, I of course want to speak to the subject matter before the Senate. The issue which is before us grew out of what occurred on the occasion to which I have referred, and I am speaking of the recommendations which were signed by the representatives of the countries which were represented at the Conference, including representatives of the United States of America. When one reads the recommendations upon which this action was taken, and which was signed by the representatives of this country, one feels as I do, and is shocked and surprised.

Mr. BUSHFIELD. I invite the Senator's attention to the joint resolution which is the subject of the motion now before the Senate. The resolution reads:

That the President is hereby authorized to accept membership for the United States in the Food and Agriculture Organization of the United Nations, the constitution of which is set forth in appendix 1 of the First Report of the Governments of the United Nations.

Evidently that is the report to which the Senator is referring.

Mr. REVERCOMB. No; I believe that the report which is referred to in the joint resolution came later. It was made in August 1944. I am referring to the first report, which is entitled, "Final Act and Election Reports of the United Nations Conference on Food and Agriculture." It was the preliminary step taken prior to the final so-called constitution which was written at a later date, and to which I assume the able Senator from Vermont has referred.

I read from page 23 of the report. This is the final act which came from the United Nations Conference on Food and Agriculture held at Hot Springs, Va.:

SECTION XXII. OCCUPATIONAL ADJUSTMENTS IN RURAL POPULATIONS

The United Nations Conference on Food and Agriculture recommend—

And I repeat that the representatives of our Government recommended this, together with the representatives of the

other nations who were represented at the Conference—

1. That, in order to effect the necessary occupational adjustments in agricultural populations:

(a) Agricultural efficiency should be improved and new lands brought under cultivation wherever possible.

(b) Areas which have a large agricultural population in relation to their agricultural resources should:

(I) Develop industries suitable to the area, particularly for the processing and preserving of the agricultural produce of the country, and, where feasible, for the manufacture of machinery, fertilizer, and equipment needed for agriculture;

(II) Be encouraged wherever it is economically sound to supply processed articles instead of the raw product, and in particular to take advantage of any reductions of trade barriers in the importing countries;

(III) Be assisted in securing capital for the development of industrial and transportation facilities and for the development of export outlets for processed products;

(IV) Be assisted in securing facilities for the importation of machinery and tools where such are necessary;

(V) Be assisted in securing and training technical personnel;

(VI) Undertake programs of public works and, where necessary, be assisted in securing technical advice and access to capital;

(VII) Develop sources of employment of public and private services;

Down to that point—

Mr. AUSTIN. Mr. President, will the Senator yield at that point?

Mr. REVERCOMB. I will yield in a moment. Down to that point I have read recommendations which are probably very laudable, but I shall continue to read something else which I wish to call to the attention of the Senate. Before doing so, however, I yield to the Senator from Vermont.

Mr. AUSTIN. I ask the Senator to point out where, in the constitution of this organization, there is anything like what the Senator has been reading.

Mr. REVERCOMB. Whatever may be contained in the constitution, or whatever may be the power that was placed in it, what I have read reveals better than anything else which could be read before the Senate, the intent and purpose of the actors under the constitution.

I continue to read the recommendations:

(c) Where agricultural settlements are possible, appropriate steps should be taken to facilitate the movement of people from overmanned agricultural areas.

That is a part of the recommendations. I repeat:

Where agricultural settlements are possible, appropriate steps should be taken to facilitate the movement of people from overmanned agricultural areas.

What I have read is a recommendation to transfer people from one area to another, taking them from overmanned agricultural areas. Of course, we will not find anything like that written into the constitution. What I have read is only a declaration of the purposes and objects of those who brought the constitution into being.

Mr. BUSHFIELD. Mr. President, will the Senator yield?

Mr. REVERCOMB. I will yield in a moment.

If I read the language correctly, it means that if those who are given authority under the constitution of the United Nations Organization on food find that there is an overmanned agricultural area in some section of the country, appropriate steps may be taken to facilitate the movement of people from it. Have we to come to the point in this country where we will subscribe to an organization which will direct the movement of people engaged in agricultural work from an overmanned area to another area? I hope not.

I now yield to the Senator from South Dakota.

Mr. BUSHFIELD. Let me ask the Senator, who is to decide when Jones and Smith and others in a community are overmanning the community and should remove to some other country?

Mr. REVERCOMB. I take it the organization set up under the United Nations food constitution will decide that. This is the declared purpose of the people who brought into being the constitution which we are asked to subscribe to at this time.

Mr. President, I discuss this question at some length because I feel that perhaps none of us has given the thought and time to this important question which should be given to it. Not until a short time ago today did I know that the joint resolution would be called up for consideration on the floor of the Senate today, and I hope its consideration will be delayed so that we may all give some thought to it.

I wish to proceed now to read from the recommendation.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. REVERCOMB. I yield.

Mr. BARKLEY. This joint resolution was called on the calendar weeks ago, and its consideration was postponed on account of the fact that the Senator from Vermont, who had made the report, was temporarily absent from the city. It was again called, and, as I remember, the Senator from West Virginia objected to its consideration under the call. Therefore the Senator has known since the 11th of June that the measure was on the calendar, and that if it could not be considered on the call of the calendar a motion would be made to take it up on its own merits; and that is what we are doing now.

Mr. REVERCOMB. Mr. President, I knew that the joint resolution was on the calendar. I knew that it was passed over on the call of the calendar for consideration of measures by unanimous consent. I objected to its consideration and passing on a consent call. But I did not know this matter was to be called up especially today until a very short time ago.

Let me read further. Here is a recommendation, and I call this particularly to the attention of those who are from agricultural communities.

In order to help in intranational and international migration where these are feasible—

I read the language again.

In order to help in intranational—

That is, within the country, from State to State—

and international migration—

That is, from country to country—where these are feasible—

It is recommended that—

(I) Occupational training should be provided;

(II) Labor bureaus should be set up where necessary—

What such labor bureaus are to do I am not informed, but apparently the labor bureaus are set up to bring about migration from country to country under this United Nations Organization.

Mr. YOUNG. Mr. President, will the Senator from West Virginia yield?

Mr. REVERCOMB. I yield.

Mr. YOUNG. If we follow out the ideas behind the trade agreements and give away the American farm markets to foreigners, I think it is entirely reasonable to assume that of course we will have to transport the farmers of America to the cities or perhaps to other countries.

Mr. REVERCOMB. I think the point is well made, but the agreements to which the able Senator refers have become law under vote of a majority of the Congress.

I hope a mistake will not be made, and I hope the Senate will not agree to put into effect a constitution which arose out of and was based upon the principles and expressions contained in this report signed by the representatives of the United States.

I proceed:

in order to help in intranational and international migration where these are feasible.
(III) Transportation, communication, housing, sanitation, health, and other public facilities necessary to effective settlement should be provided by the country receiving the migrants.

Mr. President, what country will be paying for the transportation, the communication, the housing, the sanitation, and the health and other public facilities? It will be the United States of America, because this is the only country to which people wish to come. Are we going to place ourselves in the position of endorsing at this time a plan to foster migration to the United States for agricultural purposes, and to pay for the transportation? It is to be paid for by the country receiving the migrants.

(IV) Steps should be taken to provide for the economic security of the migrants.

We are not only going to bring them into this country—and there is no limit placed upon the number; thousands are to be brought here for agricultural purposes, and we are to pay their way here—but in addition we are to take steps to assure to them economic security in America.

Oh, the argument is made, "No, this is not written into the constitution to which we are asked to subscribe today." Of course it is not. We do not put provisions of that kind in a constitution. But this is the action out of which that constitution arose, and this is the report and the

language and the intent of the persons who brought into being that constitution.

Mr. BUTLER. Mr. President, will the Senator yield?

Mr. REVERCOMB. I yield.

Mr. BUTLER. I should like to ask the Senator from West Virginia whether it would not appear more practical for us to give serious consideration to the return and the care of our own citizens who are now in foreign countries fighting the battles of the world, getting them re-established here, before we undertake to bring in myriads from other countries.

Mr. REVERCOMB. Of course, there can be no doubt in my mind about that. I think the Senator from Nebraska is exactly right, and I am glad he brought up the point at this time.

How can we here in this country subscribe to a constitution based upon this idea of migration into this country of people from other lands, when we have out of our own land several million boys to be brought back, to be cared for, and to make their way and their living in a peaceful world in their own country?

Let us proceed. This is a further recommendation.

(e) Where emigration is possible, an international organization should support arrangements to provide adequate safeguards for the settlers and for the countries concerned, and to facilitate the movement through other appropriate means.

Can there be any doubt about the meaning of that language or the purpose of those who subscribe to it? In this tide of great international feeling which has swept over the world and has swept over us, have we reached the time when we are to subscribe to a plan of international migration, of moving people from other countries into our own farming sections by an agreement under which we enter into an agricultural organization for the world? Have we reached the point in America when we are to set up any organization which may extend into any State or any farming community and say, "You are too thickly settled here. We are going to move you somewhere else"? There is another country that has done that in the past, and we understand they are moving whole communities today, but I hope that will not happen in America, and I hope we will not subscribe to any plan based upon the idea of bringing about that kind of thing.

In some of the discussions upon the agreements we have not had the benefit of declared purpose and of declared intent. We have reasoned and we have drawn our conclusions as to what might happen under circumstances which exist. But, ah, Mr. President, we have the written, signed word of those responsible for bringing into being this United Nations food constitution, saying what they intend to do.

There is no argument, I say, in the claim that that language does not appear in the constitution. The countries which signed the constitution subscribed to the language I have read to the Senate today.

So, Mr. President, upon the motion to consider the bill I hope that the Senate will not vote to consider this important

matter. I can go no further at this time than to point out the report of the representatives of the several nations upon which this constitution is based; and I say that if we subscribe to the constitution at this time we will do so without a proper consideration of the matter; we will do so with the facts called to our attention that the constitution was written after a preliminary conference at Hot Springs, Va., at which the delegates stated that they favored the migration under a world organization of people from one country to another.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. REVERCOMB. I yield.

Mr. WILEY. I have listened to the comments of the Senator from West Virginia. This matter came up in the Foreign Relations Committee. I should like to call the Senator's attention to article IV, on page 34 of House Document 128. The matter was presented in a rather hurried manner to the Foreign Relations Committee.

Article IV—Functions of the Conference—is as follows:

The Conference may, by a two-thirds majority of the votes cast, make recommendations concerning questions relating to food and agriculture to be submitted to member nations for consideration with a view to implementation by national action.

I also read paragraph 3, as follows:

3. The Conference may, by a two-thirds majority of the votes cast, submit conventions concerning questions relating to food and agriculture to member nations for consideration with a view to their acceptance by the appropriate constitutional procedure.

Having in mind the particularly important fact that it is the function of this organization when they arrive at any conclusion to submit it to each government, or, as it is stated here, to "appropriate constitutional procedure," I should like to have the distinguished Senator comment so I can see whether I am mistaken in my conclusion as to the power of this organization.

Mr. REVERCOMB. I would say that of course a two-thirds majority under the provisions referred to by the Senator from Wisconsin would be sufficient to submit the question, and it would only be acted upon, according to these provisions, by the member countries. I am not sufficiently advised about this constitution to discuss at length the particular provision referred to along with the other provisions. That is one reason I say we ought to have more time to consider this proposed legislation and not have it called up at this time. It is too important.

Mr. WILEY. Mr. President, will the Senator again yield?

Mr. REVERCOMB. I yield.

Mr. WILEY. I agree fully with the conclusion that there should be an exhaustive discussion of the subject. However, if we can agree on what I think is the very basis of the difference between apparently the Senator's understanding and mine—if we can agree that no action can be taken by this organization until there has been constitutional agreement by each member government, then it seems to me that much

of the fear which the Senator has expressed would disappear.

Mr. REVERCOMB. I wonder if the fear would disappear. In view of the fact that the representatives of our own Government, in a conference prior to the writing of this constitution, declared the things I have read today to the Senate. The document from which I have read is not in the hands of Senators. I obtained it from the State Department. I would say that few individuals have seen it. It is the report the preliminary sessions of the various nations before they brought forth the proposed constitution.

The able Senator from Wisconsin says it would be entirely safe under the provisions read by him, if upon two-thirds vote they would submit their recommendations for action to the respective member nations. I say it would not be safe if the member nations are going to take the course set forth in this report of the United Nations conference on food and agriculture held at Hot Springs, Va.

But be that as it may, let me say to the Senator from Wisconsin that what I am speaking against today is the immediate consideration of the proposed legislation. I think it is too important, I think it is too involved, I think there is too much to it to proceed at once without a proper study of it, and for that reason I am asking the majority leader not to insist upon consideration of the joint resolution today, but if he desires to fix a day certain when we may be ready to go into this important subject, very well.

I have detailed the provisions of this report because I wish to have Members of the Senate know what was behind this constitution, and what brought it about. What do the countries which have written it and submitted it to us think, and what did their representatives think and believe in before that constitution was written? I have read what they believed with respect to the migration into this country of foreign agricultural labor. There are many other things in the report which ought to be studied and read, and I hope that in the course of time they may be brought to the attention of the Senate. At this time I urge the majority leader not to insist upon proceeding with this important piece of legislation, but to fix a day certain or a time certain when we may proceed to consider it with full knowledge of the cause which is before us.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. REVERCOMB. I yield.

Mr. AIKEN. Can the Senator from West Virginia tell us what powers are proposed to be granted to the Agricultural Organization of the United Nations which were not held by the International Institute for Agriculture, if that is the correct name?

Mr. REVERCOMB. I am not prepared to draw a distinction between the two sets of powers.

Mr. AIKEN. It is my recollection that in both instances there was only power to ascertain facts and make recommendations.

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. REVERCOMB. I yield.

Mr. AUSTIN. I can quickly call the attention of my colleague to the evidence which answers his question. On page 31 of the House hearings appears the following in the testimony of Mr. Acheson:

What will undoubtedly happen to the Rome Institute will be that it will be absorbed into this new organization. The Rome Institute was a pioneer in this field; it dealt solely with agriculture and did not deal with the aspect of foods and nutrition.

That is the difference between the two.

The Rome Institute has its office, as you know, in Rome. During the war it became entirely a captive of the Axis. It has practically no set-up at the present time; it has a small staff, a few people, and it has a library. That is about the only asset it has.

If the Rome Institute is to go out of existence, the proposed Food and Agriculture Organization is to gather together the information and place it in the right spots to insure greater production, greater consumption, and a balancing of consumption and production. There is also a health aspect in this procedure to which I shall call attention if I have an opportunity.

Mr. AIKEN. Is the proposed organization to be granted powers in the broader field in which it will work, as compared with the International Institute of Agriculture, whose function was strictly agricultural?

Mr. AUSTIN. I think probably it would have greater powers; but there are no such powers as those mentioned by the distinguished Senator from West Virginia. He is talking about an entirely different subject, and not this subject.

Mr. REVERCOMB. Does the Senator from Vermont mean to say that the United Nations Conference on Food and Agriculture, held at Hot Springs, Va., was not the forerunner of this constitution?

Mr. AUSTIN. Yes; but there was a great difference between the fact of holding that meeting and what the meeting ultimately did.

Mr. REVERCOMB. I will give the Senator the exact time. The United Nations Conference on Food and Agriculture was held at Hot Springs May 18 to June 3, 1943, whereas this constitution was adopted at a meeting held in August 1944, as I recall.

Mr. AUSTIN. No. This constitution is the product of work which followed the date which the Senator has last mentioned, and ultimately came into its present form near the date of the letter published in this report, which is March 13, 1945.

Mr. REVERCOMB. Let me say to the Senator from Vermont that I shall read from the joint resolution which is under discussion. This is the language of the joint resolution itself:

That the President is hereby authorized to accept membership for the United States in the Food and Agriculture Organization of the United Nations—hereinafter referred to as the "Organization"—the constitution of which is set forth in appendix I of the first

report to the Governments of the United Nations by the Interim Commission on Food and Agriculture, dated August 1, 1944.

Mr. AUSTIN. Yes, indeed; but that is not the language of the constitution as it was submitted with this report. That is a mere identification. It does not undertake to state the terms of the constitution. But even the constitution to which the Senator now refers did not refer to the subjects and powers about which he is making his address. That is a wholly different matter.

Mr. REVERCOMB. I do not agree that it is extraneous matter. I no more agree that it is extraneous matter to the constitution of the United Nations on food than I agree that the notes in connection with the Constitutional Convention are extraneous to the Constitution of the United States. They throw light on the intent and meaning. The same parties or the same nations were there represented. The same governments took part. They declared what their intention was as to migration. They declared their intent, and recommended that migration be fostered among the several nations, and that the receiving nations pay the way of the migrants and make them secure after their arrival.

Let me say further that if that does not throw light on the intent of those who entered into this agreement, nothing in the world could. The two occurrences were a little more than a year apart. The first was a preliminary meeting for the purpose of beginning the organization, and the second was a meeting at which the constitution was brought forth.

I have brought up this question at this time to point out to the Senate the vast importance of the subject which is suddenly thrust upon us. I say "suddenly thrust upon us." It is true that the joint resolution has been on the calendar, but little notice was given that it would be called up today. I charge no one with wrong in that connection. I do not charge that anyone was mistreated.

We are all concerned with this important question, and I think we ought to have more time to consider it. I urge the majority leader to fix a time certain, to which we may direct our work from now on, so as to be prepared to discuss the subject fully.

The Senator from Vermont says that the report which I have read, and which I obtained from the State Department, has no relation to the constitution. I cannot agree with that statement. I think it sheds light on the very purpose of the organization. It shows the declared recommendations of the nations which wish to subscribe to the constitution.

The report from Hot Springs on the immigration question is signed by the representatives of the United States. Naturally, details are not written into a constitution; but the same nations and, so far as I know, the same governments, as then constituted, which made this report from Hot Springs in 1943, brought into being the constitution on the same subject in 1944. I know of nothing which would throw greater light on the intent

than the recommendations of those who brought forth the constitution itself.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. REVERCOMB. I yield.

Mr. WILEY. I believe that the subject is one which must have clarification, and I join in the request of the distinguished Senator that we have time to consider it.

However, I feel that what he read in relation to immigration is something with which the world is seriously concerned. In 1939 it was my privilege to represent this Government at the Inter-parliamentary Union at Oslo, Norway. At that time it was my privilege to meet a Mr. Nansen, the son of Fridtjof Nansen. Fridtjof Nansen, the famous Norwegian explorer, was one of the great leaders in the League of Nations. His son took over his job. After the last World War, 10,000,000 Europeans were displaced, and the nations got together and formed an organization. I do not know the name of it, but I know that Fridtjof Nansen, Sr., was active in that organization, and after he died his son became the head of the organization. The purpose of the organization was to find homes for the millions who were displaced by the war.

Of course, I could not agree to any organization which would attempt to take away from the Congress of the United States its constitutional powers with respect to immigration. However, I feel that just as the situation to which I have referred was a result of the First World War, we now have millions more in the same situation.

If we are to try to solve the problems of the world, we cannot ignore this problem. However, I do not think the solution of it is to be found in opening the gates of America to a large immigration. I believe that there are places on the earth where great masses of Europeans could be cared for. We have in our laps the great Palestine problem. There are overpopulated areas in Europe. There is to be a change in the boundaries between Poland and Russia, and between Poland and Germany. There are other things which will cause great changes and a tremendous migration.

Looking at the matter charitably, it seems to me, judging from what the Senator has read, that he might say that the conference had in mind taking up consideration of that matter. But I do not find anything like that in the present constitution which was submitted to the Committee on Foreign Relations. I wish to make it clear that there is nothing in the measure which gives power to this organization. All it can do is recommend to the Congress of the United States what it thinks are appropriate steps to be taken in view of all the factors which it can consider.

I thank the Senator for yielding to me.

Mr. REVERCOMB. Mr. President, I thank the Senator for his remarks. Of course, his views regarding immigration into this country are thoroughly in accord with my own. I am entirely against letting down the bars regarding immigration, particularly when so many of our men have left this country during the war and must return here to live when the war is over. I am thoroughly

in accord with the Senator's view of that situation.

My point of view is that to call up this important question now, when we have just finished dealing with other important legislation to which we have given our whole attention for a considerable length of time, would not be the proper procedure. I think we are unable to give it the attention it requires in the time now at our disposal. I urge that a little time be given to study this important constitution, for we are supposed to subscribe to a new constitution of the United Nations relative to food and agriculture. I cannot think of anything more important to this country or anything which would require more study on the part of the Senate.

I now urge the distinguished senior Senator from Kentucky [Mr. BARKLEY], the majority leader, to give all of us more time to consider this question.

APPLICATION OF PROVISIONS OF EXPORT-IMPORT BANK BILL TO THE PHILIPPINES

During the course of Mr. REVERCOMB's remarks,

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. REVERCOMB. I yield.

Mr. TYDINGS. I ask the Senator's pardon for interrupting his address, but the Export-Import Bank bill passed by the Senate earlier today may be in the process of enrollment, and if the concurrent resolution which I hold in my hand is not quickly acted on it would be of no value, even if Congress were to adopt it. As was brought out by the Senator from Ohio and the Senator from Michigan in discussing the bill earlier today, the Philippine Islands were left out of the scope of the Export-Import Bank. The bill has gone to the House and I am afraid, unless action is taken immediately, it will be enrolled before the correction I propose is made.

Mr. REVERCOMB. Does the Senator wish to proceed with the concurrent resolution he speaks of?

Mr. TYDINGS. I should like to ask unanimous consent to have a correction made in the Export-Import Bank bill, simply to have the Philippine Islands included in the scope of the bill which was passed earlier today. I do not think any Senator is opposed to it. If the proposal should result in debate I will withdraw it immediately.

Mr. REVERCOMB. I am glad to yield to the Senator for the purpose he has in mind, with the understanding that the present procedure may be transposed, so as not to appear in the midst of the discussion which has been taking place.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BARKLEY. Mr. President, I wish to make a statement. It is a little unusual to instruct the enrolling clerks of the two Houses by way of correction to put something in a bill which was not in the bill as it passed either House and was not intended to be in the bill. We frequently instruct the enrolling clerks to put something in a bill that was left out by oversight. That is not the case in this matter. No effort was made to get this provision into the bill in the

House or the Senate, and it is not by way of correction, because the bill as it is now, in process of or ready for enrollment, is not incorrect. There is no error committed in the enrollment.

I am not going to object, but I want it distinctly understood that it is an unusual thing to amend a bill by way of correcting the enrollment when neither House considered the item or acted upon it. With the understanding that it establishes no precedent, Mr. President, in that regard I shall not object.

Mr. WHITE. I simply want to echo what the Senator from Kentucky has said. I think it does establish a precedent, and, I think, an unhappy one, but I am not going to object.

Mr. TYDINGS. Mr. President, I want to reecho what both Senators have said, and I hope what is proposed to be done will not establish a precedent. I hope the concurrent resolution will be adopted.

The PRESIDENT pro tempore. The concurrent resolution will be read for the information of the Senate.

The Chief Clerk read the concurrent resolution (S. Con. Res. 23), as follows:

Resolved by the Senate (the House of Representatives concurring). That the Clerk of the House, in the enrollment of the bill (H. R. 3771) to provide for increasing the lending authority of the Export-Import Bank of Washington, and for other purposes, is authorized and directed, on page 2, line 8, after the word "country" to insert the following: "(or the Philippine Islands)."

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the concurrent resolution was considered and agreed to.

Mr. TYDINGS. Mr. President, I take this opportunity to thank the Senator from West Virginia for his courtesy in yielding to me so the correction could be made.

Mr. REVERCOMB. I have been glad to yield to the Senator from Maryland for that purpose.

MEMBERSHIP OF THE UNITED STATES IN THE FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS

The Senate resumed the consideration of the motion of Mr. BARKLEY to proceed to the consideration of House Joint Resolution 145 providing for membership of the United States in the Food and Agriculture Organization of the United Nations.

Mr. BARKLEY. Mr. President, I shall not discuss the details of the joint resolution or the details of the constitution. I wish to address myself particularly to the remarks of the Senator relative to postponement of consideration of this measure. This joint resolution passed the House of Representatives on April 30, 1945. It came to the Senate and was referred to the Committee on Foreign Relations.

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. AUSTIN. This subject matter—the proposition to study the charter—was referred to the Committee on Foreign Relations of the Senate long before that, namely, on March 15, 1944, nearly

1½ years ago; and a subcommittee was appointed, which gave a great deal of study to this subject, even before the House of Representatives had passed the measure.

Mr. BARKLEY. I thank the Senator for his remarks. I was speaking of this particular joint resolution; but the subject matter was before the Senate Committee on Foreign Relations nearly a year and a half ago; and a subcommittee was appointed, and gave detailed and careful consideration to the whole subject. On March 15, 1944, I believe, that process of investigation by the committee began.

This particular House joint resolution was passed by the House of Representatives the same year and was referred to the Senate Committee on Foreign Relations; and thereafter, on the 11th day of June, it was reported to the Senate from the committee. It has been on the calendar for certainly more than a month—from the 11th of June to the 20th day of July, which is 5 weeks. It was called twice during the call of the calendar; and the second time it was almost on the verge of passage, when it was realized that the Senator from Vermont had gone to his home State on an important mission and it was felt that it should not be passed in his absence. So it went over.

It was later called during a subsequent call of the calendar. At that time the Senator from West Virginia objected. I then said that I intended to move to have it taken up at the earliest possible date, and that if it took a motion to have it considered by the Senate, such a motion would be made at the earliest opportunity either by myself or the Senator from Utah [Mr. THOMAS] or the Senator from Vermont [Mr. AUSTIN]. This is the first opportunity we have had to do so.

No clarification of the matter is necessary, except insofar as we can debate it on the floor of the Senate. We cannot clarify it by having the Senate take a recess until October; because when we return following the recess we shall not find that it has been clarified in our absence. If anything about it needs to be clarified, that can best be done on the floor of the Senate.

I do not think anything about it really needs clarification. The Senator from West Virginia has referred to a memorandum made at Hot Springs or to some recommendations or a memorandum which he dug up in the State Department. We must pass on this constitution according to its present terms, not according to what someone wished to place in it, but did not succeed. There is nothing in this constitution and there is nothing in this joint resolution about immigration; the subject is not even mentioned. No authority is given anyone with respect to immigration. The mere fact that someone discussed it in the conferences or even submitted a memorandum about it does not indicate anything.

Mr. REVERCOMB. Mr. President, will the Senator yield?

Mr. BARKLEY. I shall yield in a moment.

I said a while ago, when I made the motion, that the farmers and farm organizations of this country are anxious to secure action on this matter. A conference is to be held very shortly in Caracas, and delegates for the United States have been appointed to attend it. I have seen a copy of a letter sent to the Senator from Vermont by Mr. Albert Goss, head of the National Grange, urging immediate action upon this House joint resolution; and Mr. Goss has been calling me over the telephone every day for a week. He telephoned me this morning and urged that we try to have action taken on this measure, because he said it was important, in order that action may be taken before the conference on agriculture is held in the city of Caracas.

The National Council of Farmer Cooperatives is urging the taking of immediate action on this joint resolution. The Senator from Vermont has handed me a telegram from John H. Davis, executive secretary of the National Council of Farmer Cooperatives; and I shall take the liberty of reading it, inasmuch as I have mentioned it. It is addressed to the Senator from Vermont, and it reads as follows:

WASHINGTON, D. C. July 19, 1945.

Senator WARREN R. AUSTIN:

In view of fact that Food and Agriculture Organization is an integral part of United Nations Organization and in view of fact that first meeting of Food and Agriculture Organization is being planned for October 1945, it is vital that United States Senate approve FAO bill House Joint Resolution 145 before it recesses. We strongly urge that you do your utmost to get such action.

JOHN H. DAVIS,

Executive Secretary, National Council of Farmer Cooperatives.

The Senator from Vermont has also handed me a telegram sent to him by Edward A. O'Neal, president of the American Farm Bureau Federation, dated July 19, which was yesterday. The telegram reads as follows:

WASHINGTON, D. C., July 19, 1945.

Senator WARREN R. AUSTIN,

Senate Office Building:

I understand that a sufficient number of nations have ratified the charter of the International Food and Agriculture Organization to enable it to proceed with the establishment of the organization and that arrangements are being made for an organization meeting probably in October 1945. It is therefore very important that House Joint Resolution 145 be approved by the State and enacted into law before the Congress recesses in order that the United States may become a member and have a voice in the establishment and operations of this international organization. This is of vital importance to our farmers. This bill has the support of all national farm organizations. I sincerely hope that you can get favorable action by the Senate on this legislation before the congressional recess.

EDWARD A. O'NEAL, President,
American Farm Bureau Federation.

I may say that under the terms of the constitution provision has been made that when 20 of the nations signing the constitution have accepted membership in it, the organization goes into effect. Up to the present moment 23 nations have accepted membership in the organ-

ization. The United States is not one of them. So, in regard to the agricultural and food constitution, the other nations are not waiting for us to accept membership in the organization, but we should certainly be a member of it by the time it holds its first meeting in October.

In view of the circumstances, Mr. President, and the length of time the proposed legislation has been on the calendar subject to the study of Members of the Senate, during which time it was given careful consideration by the Committee on Foreign Relations, I feel justified in urging that it be taken up now. If the Senate desires to postpone it until October, which would be too late for the American Government to appoint delegates to attend the conference, the Senate may do so. However, I do not at this time feel justified in withholding the motion to proceed to the consideration of the joint resolution.

Mr. REVERCOMB. Mr. President, by way of brief reply to the majority leader, I wish to say that I believe it to be far more important to this country that we give careful consideration to this proposal than it is to rush into it without having a thorough discussion of it, and acquiring a thorough knowledge of it, which would not be the case if we should proceed to consider it now.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. REVERCOMB. I will yield in just a moment.

The Senator has referred to the report from which I have read as a memorandum. Allow me to say to the Senator that it is something more than that. It is a report which was signed by the representatives whose names have been affixed to the document as representing the Governments of Australia, Belgium, Bolivia, Brazil, Canada, Chile, China, Colombia, Costa Rica, Cuba, Czechoslovakia, Dominican Republic, Ecuador, Egypt, El Salvador, Ethiopia, French Representative, Greece, Guatemala, Haiti, Honduras, Iceland, India, Iran, Iraq, Liberia, Luxemburg, Mexico, Netherlands, New Zealand, Nicaragua, Norway, Panama, Paraguay, Peru, Philippine Commonwealth, Poland, Union of South Africa, Union of Soviet Socialist Republics, United Kingdom, United States of America, Uruguay, Venezuela, and Yugoslavia. Covers almost the entire habitable face of the earth. All those countries were represented at the Conference. The document is very much more than a memorandum. It is a carefully drawn report and act. It is entitled "Final Act and Sections Report of the United Nations Conference on Food and Agriculture." The Conference was held from May 18 to June 23, 1943. The report represents the recommendations of the Conference with regard to the kind of an international food organization which should be established, and its constitution follows the action which was taken.

Mr. MILLIKIN. Mr. President, will the Senator from West Virginia yield in order that I may ask a question of the senior Senator from Vermont?

Mr. REVERCOMB. I yield.

Mr. MILLIKIN. Is there anything in the constitution which would preclude recommendations on matters of the type mentioned by the junior Senator from West Virginia?

Mr. AUSTIN. I am unable to answer the question in that form without making a thorough study of the entire charter.

Mr. REVERCOMB. I think that what the Senator from Vermont has stated is the crux of the whole matter. He said that he would prefer not answering the question until he has had an opportunity to study the entire constitution. I join with him. I want a similar opportunity, and I want every Member of the Senate to have an opportunity to study the matter very thoroughly. I do not believe the joint resolution should be considered until we have had an opportunity to study the entire constitution.

Mr. AUSTIN. Mr. President, if the Senator has finished his statement by which he interrupted my answer to the question propounded by the Senator from Colorado, I should like to complete what I started to say.

Mr. REVERCOMB. I thought the Senator had completed his statement.

Mr. AUSTIN. What has been said causes me to say that even my partial answer has been misunderstood by the distinguished Senator from West Virginia.

I have studied the charter for approximately a year and a half, and have given very careful consideration to it. As a result of that study I have not discovered anything of the nature to which the Senator from Colorado has referred. It is because he asked the question that I replied as I did. In order to be perfectly sure and accurate, I should like to look at the charter again.

I wish to say, however, that there is nothing in the charter itself, or in the acceptance of it by the President, if he accepts it, that permits any modification of it without our consent. We cannot be bound by any modification of the charter without our consent. Such consent would have to be obtained in a constitutional manner. When I have the opportunity I shall try to make as simple and brief an explanation of it as I can. Whether the Senate decides to proceed to consider the joint resolution at this time or not, what I say today may help to inform Senators about what the measure provides.

Mr. MILLIKIN. I notice under article I, paragraph 2, subparagraphs (c) and (d), that it is a part of the function of the Organization to recommend national and international action with respect to "(c) the conservation of natural resources and the adoption of improved methods of agricultural production; (d) the improvement of the processing, marketing, and distribution of food and agricultural products."

It occurs to me offhand that that description might be sufficiently ample to cover the matters which the distinguished Senator from West Virginia [Mr. REVERCOMB] has mentioned.

I notice, moreover, under article IV, paragraph 2, that it is stated:

The Conference may, by a two-thirds majority of the votes cast, make recommenda-

tions concerning questions relating to food and agriculture to be submitted to member nations for consideration with a view to implementation by national action.

Not for consideration alone, but "with a view to implementation by national action" of various things pertaining to the functioning of the Organization.

It seems to me that the project is on more than a conversational basis, and should be given most careful study. Personally, I hope it will go over so that we may go into it very thoroughly.

Mr. REVERCOMB. Mr. President, in view of the importance of the proposed legislation, I wish to move that action on the joint resolution be postponed. I think the motion is in order.

Mr. AUSTIN. A parliamentary inquiry.

The PRESIDING OFFICER (Mr. GEORGE in the chair). The Senator will state it.

Mr. AUSTIN. There being a motion pending to proceed to the consideration of the joint resolution, is the motion of the Senator from West Virginia now in order?

The PRESIDING OFFICER. The Chair is of the opinion that it is not. The question is on the motion to take up the joint resolution.

Mr. REVERCOMB. Mr. President, I thought a motion to postpone was in order, even in the face of a motion to consider.

The PRESIDING OFFICER. The Chair knows of no parliamentary procedure under which a motion to postpone will take precedence over a motion to take up a measure.

Mr. REVERCOMB. Mr. President, I wish to express the hope that, on the question of taking up at this time, this very important matter, which has been so little considered, the motion will not be agreed to.

Mr. AIKEN. Mr. President, all my life I have been a farmer, I have always lived among farmers, I have always worked with farmers and farm organizations, and I wish to say now that I believe that United States membership in an international food and agriculture organization is absolutely vital to the welfare of the American farmer. I believe it to be the utmost importance that at the first meeting of this organization the United States be represented.

The Senator from West Virginia [Mr. REVERCOMB], the Senator from Wisconsin [Mr. WILEY], and the Senator from Colorado [Mr. MILLIKIN] have stated that they think we should have more time to consider the proposal. I wish to say that every farm organization in the United States has studied the agreement, or constitution word for word, and I know that the leaders of these organizations and their experts have made a more thorough study of this matter than all the Members of the Senate combined will make if we are given a year in which to consider it.

When Alfred Goss, of the Grange; Ned O'Neal, of the Farm Bureau, John Davis, of the Council of Farm Cooperatives, Jim Patton, of the Farmers' Union, and other farm leaders, say that it is necessary for us to act upon this promptly so that we may be represented at the

first meeting of this food and agriculture organization, they mean exactly what they say. We should not let the American farmers down by rejecting the motion of the Senator from Kentucky. In my opinion the Senate will be very remiss in its obligations to American agriculture unless it takes up this joint resolution and acts upon it promptly.

Mr. LANGER. Mr. President I wish to support everything that has been said by the distinguished junior Senator from Vermont [Mr. AIKEN]. I did not know this matter was to be brought up, and during the last few moments I called up the farm organizations of my State, and they stated they had been waiting for weeks and weeks to have this matter disposed of. I certainly wish to compliment the Senator from Kentucky, the majority leader, for bringing it up now. All other industries have been taken care of. Why should not agriculture be taken care of before the Senate adjourns and goes home for 2 or 3 months?

Mr. President, I hope the motion of the Senator from Kentucky will prevail.

Mr. REVERCOMB. Mr. President, let me say that I would not take a position here which I thought for one moment was injurious to the farmers of this country. I am taking a position which I am quite certain is in support of the farmers everywhere, not a farm organization, not an officer of any farm organization. I have not conferred with them. I did not know their views until they were spoken by a Senator who preceded me. But I say that we will do more in defense of the farmers of this country, in view of the light which has been shed on this question by the prior meeting which brought forth the constitution, if we take some time to consider the proposal.

I do not subscribe to the view expressed by the able Senator from Vermont [Mr. AIKEN] that if we are to take time to consider we will know less about the matter than some organizations, farm or otherwise, now know. I wish to say, Mr. President, that we will know what we are doing.

I take this position, not for any organization, not for any particular group; I am taking it for the welfare, as I see it, of the people of this country, and in particular for the welfare of the farmers, in protecting them against having an influx of people into this country from abroad. Let me say further, Mr. President, I do not believe the farmers of America want to have set up over them any superorganization.

It is said here that it is only by way of suggestion and recommendation to our own Government that action can be taken. That is the first step in a movement of this kind. I say that the time may be when, if we consider this matter, I will join with others in support of the proposal, but I want it to be very clear in my mind that it will not bring about what was recommended in the preceding Conference held at Hot Springs, Va.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. REVERCOMB. I yield.

Mr. AIKEN. I merely want it understood that I did not intend to infer that

if the Senator from West Virginia studied the matter he would know less about it.

Mr. REVERCOMB. I understand the point of the remark.

Mr. CAPEHART obtained the floor.

Mr. BARKLEY. Mr. President, will the Senator permit me to read into the RECORD the letter from Mr. Albert Goss which I did not have at my desk when I read the telegrams a while ago?

Mr. CAPEHART. I yield.

Mr. BARKLEY. This letter is addressed to the Senator from Vermont [Mr. AUSTIN], and a copy was sent to me. It is dated July 14, and reads:

THE NATIONAL GRANGE,
Washington, D. C., July 14, 1945.

HON. WARREN R. AUSTIN,
United States Senator, Senate Office
Building, Washington, D. C.

MY DEAR SENATOR: I would like to bring to your attention the measure completing America's approval of the farm and agricultural organization (FAO) agreement. You will recall that this measure has passed the House and has had committee approval in the Senate. It is my understanding that it was placed on the calendar but no action was taken since you were absent.

We would like to see approval of this measure immediately following the action on Bretton Woods, if possible. The Third Inter-American Agricultural Conference convenes at Caracas, Venezuela, on July 24. A great many of the participating nations have already approved this agreement and since the movement was initiated by the United States, it would be embarrassing to enter this agreement without the United States taking action.

I discussed this with Senator BARKLEY who was of the opinion that the measure had no opposition in the Senate and might be slipped in at an early date. With your approval, I am sure this could be accomplished and I am also sure that our delegation going to the Caracas Conference would appreciate it.

I am sending copy of this letter to Senator BARKLEY.

Yours sincerely,

A. S. Goss,
Master, the National Grange.

Mr. O'DANIEL. Mr. President, I should like to ask a question of the majority leader. Inasmuch as we have a new Secretary of Agriculture, upon whose shoulders rests a great responsibility regarding the policies as to agriculture in this Nation, may I inquire whether his opinion has been given on this question?

Mr. BARKLEY. I am not able to answer the Senator. I myself have not inquired of the new Secretary, directly, so that I am not able to reply, but I have every reason to believe he is in favor of prompt action by the Senate in favor of the joint resolution.

Mr. O'DANIEL. Can the Senator from Vermont give me the information?

Mr. AUSTIN. I can say that the former Secretary of Agriculture, who was Secretary at the time of the hearings, in April 1945, testified urging the passage of the joint resolution, and at the present time the Secretary of Agriculture is represented by Mr. Howard Tolley, agricultural economist, favoring the joint resolution, who assisted me in drafting the favorable report.

Mr. O'DANIEL. I understood that the former Secretary was greatly in favor of it.

Mr. BARKLEY. The new Secretary of Agriculture was a Member of the House of Representatives at the time the joint resolution was passed, and I understand he supported it.

Mr. O'DANIEL. That is what I was interested in.

Mr. BARKLEY. If the Senator desires to have me get the last word from the new Secretary, I shall be glad to call him up.

Mr. O'DANIEL. I should like to know what the new Secretary desires in regard to it, because he has to share in the great responsibility of formulating the policy affecting agriculture in the United States.

Mr. CAPEHART. Mr. President, I am vitally interested in agriculture, as I am a farmer, and have been all my life. I would not want to do anything that would hurt agriculture because it is the fundamental industry of America. I should like to ask the junior Senator from Vermont to tell us wherein what is now proposed is going to help the farmer. I am interested in that particular question, and I think every Senator should be interested in it. Wherein would this benefit the farmer? Not a word has been said here today about how it will benefit the farmer. Will the Senator tell us exactly how it will help the American farmer?

Mr. AIKEN. Mr. President, I think the question under discussion is whether the joint resolution should be taken up for action at this time. I had not even planned to discuss the matter when it came up. However, briefly I will say that in this shrinking world every phase of our own national economy, which includes agriculture, must be considered in the light of its relationship to the whole world. It would help the farmer to have an organization which would be a fact-finding organization in that respect. There are other ways in which it would help the farmer. It would increase food consumption throughout the whole world by seeing to it that people have better diets and become better customers for manufactured goods.

I will say that I know the farm organizations and their economists have made an intensive study of this whole situation. I know they are very much interested in seeing that the United States joins this organization, and I am also. As I undertook to say a short time ago, I believe they have made a more intensive study than any of us here could make in the time which we would have. I am personally satisfied that it would have advantages for the American farmer. I would not set my opinion above those farm leaders who have been spending literally weeks and months in studying this agreement word for word. I am satisfied that we ought to belong to this organization, and now, as soon as we can, so that our representatives may attend the first meeting to be held at Caracas in October.

Mr. CAPEHART. Is the purpose to increase consumption of farm products throughout the world?

Mr. AIKEN. Yes, I think so. I think about 75 percent of the population of the world is engaged in agriculture, yet 75 percent of the people of the world are

also dying of slow starvation, all at the same time, I understand.

Mr. CAPEHART. Would one of the purposes possibly be to curtail production?

Mr. AIKEN. I would not think so.

Mr. CAPEHART. Would one of the purposes perhaps be to divide up the production of wheat in the world and say to us that we should plant so many acres of wheat, and Argentina should plant so many acres of wheat, and some other country so many acres of wheat, and possibly the same thing with respect to corn and other farm products?

Mr. AIKEN. I would not say that in the aggregate it would curtail production. I would say that in some countries the diet of the people is heavily unbalanced on the side of one form of food or other. There are sections of the world where people feed too heavily on cereals, and their lives become shortened; they have too few of the resistant vegetables such as lettuce and tomatoes. I suppose the over-all purpose of this organization is to improve the diet, the health, and the general standards of welfare of the people of the world. I know that our American agriculture, organized agriculture particularly, is intensely interested in this subject.

It is unthinkable that we should let the rest of the world proceed with an organization without our country, even if they could proceed without us.

I am not afraid of heavy immigration into the United States. I do not think the rest of the world has any designs on the United States in that respect. There are continents, however, such as Africa, South America, and Australia which are under-settled. There are countries such as Germany, Italy, Belgium, and other countries which are heavily overpopulated. Belgium produces only 15 percent of the food needed to support her population. It may be that in time there may be migration from one of the overpopulated countries to one of the underpopulated continents, and the world would be better off.

Mr. CAPEHART. Does the Senator think any such thing would happen to us?

Mr. AIKEN. I do not think there are any designs to flood the United States with people from European countries, although we must all remember we are, ourselves, descendants of immigrants.

Mr. BUTLER. Mr. President, will the Senator from Indiana yield?

Mr. CAPEHART. I yield.

Mr. BUTLER. I should like to ask the Senator from Vermont a question or two. By what right did our representatives attend the Hot Springs Conference in Virginia?

Mr. AIKEN. I am unable to answer that question.

Mr. BUTLER. Evidently they attended the Conference and something came out of that meeting.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. BARKLEY. The Hot Springs Conference was initiated by the Government of the United States and our delegates to that Conference were named by the President of the United States.

Mr. BUTLER. Could they not by the same right or token be delegated to attend the meeting to be held in Venezuela or Colombia, wherever it is to be held, without the Senate taking action at this time on this particular measure?

Mr. BARKLEY. Of course, the Caracas meeting is not a meeting of the food and agricultural organization with which the proposed legislation deals. That is another sort of meeting. But delegates have already been appointed to that conference by the President of the United States. What those delegates are interested in is that when they attend the conference they may be in a position of representing the United States as a Nation which initiated this movement; that they may represent a Nation which is interested in it.

Mr. BUTLER. I should like to say at that point to the distinguished majority leader that up to date I have not seen one word of hearings where a real farmer spoke his mind on anything in connection with this matter. It was the farm leaders who testified, as has been said by my distinguished friend the Senator from Vermont. With no reflection whatsoever on any leader who has been named here this afternoon, I should like to say that quite frequently it is the case that farm leaders do not speak the opinion of the farmers, and there are about 6,000,000 farm families in the United States. I should like to have hearings held on a question of this kind before a committee where such hearings should be held. We have before us an agricultural proposition which was determined by the Committee on Foreign Relations. I realize that there is a foreign relations connection with the matter, but I also realize that there is distinctly an agricultural phase to this matter which should be passed upon by men who are familiar with agricultural problems, and not exclusively social reforms and matters pertaining to foreign relations.

Mr. BARKLEY. Mr. President, will the Senator permit me to say in that connection that I appreciate the yearning of the Senator from Nebraska to have some real farmers come before a committee to testify, but I have observed in the past that when the views of the farm leaders coincide with those of the Senator from Nebraska, either in favor or against something, he is very glad to have their impression and their testimony.

Mr. BUTLER. Mr. President, in that case the leaders are coinciding with the real farmers. [Laughter.]

Mr. BARKLEY. I am glad to know that the Senator from Nebraska and the Senator from West Virginia represent the real farmers, and if that is true the heads of organizations which have been selected by the real farmers probably ought to resign and allow Senators to take over.

Mr. AIKEN. Mr. President, I should like to say to my colleague from Nebraska that I am a farmer. I never had any other occupation in the world. I do not represent organized agriculture in any way. I believe in the organization we are now discussing.

Mr. AUSTIN. Mr. President, usually this type of debate does not adhere to

the real question. The real question here is whether it is expedient to proceed to the consideration of the proposed legislation. The joint resolution comes before us at this time because it is timely to act upon it now. The Senate has had before it, and the people of the United States and of 44 other states in the world have had before them, the subject of economic and social relations among nations, with a view to attaining sufficient security and peace, and an expanding economy, prosperity, and happiness. Yet here we are today, trembling about approaching the consideration of a subject which is only a part of the whole problem, when we are all familiar, and our people are all familiar, with the problem. It is not a problem relating to a single farm, and what kind of fertilizer is good for one kind of crop, or what kind of fertilizer is good for another kind of crop. In considering this organization, a food and agricultural organization, we are dealing with agricultural economics and agricultural sociology.

Mr. BARKLEY. Mr. President, will the Senator yield to me?

Mr. AUSTIN. I yield.

Mr. BARKLEY. In response to the question of the Senator from Texas [Mr. O'DANIEL], let me say that I have just talked with the Secretary of Agriculture personally. He authorizes me to say that not only he but the whole Department of Agriculture feel that this is a vitally important matter. I am authorized to say that he hopes that the joint resolution will be enacted by the Senate without delay. I may also say that there was a record vote in the House on the joint resolution, and it passed the House by a vote of 291 to 25.

Mr. O'DANIEL. Mr. President, will the Senator from Vermont yield?

Mr. AUSTIN. I yield.

Mr. O'DANIEL. I wish to thank the majority leader for obtaining that information. We have reports from farm leaders and others who purport to be farm leaders, and I thought it was no more than right that we have a report concerning the opinion of the Secretary of Agriculture, who, in my judgment, occupies a high position with reference to the policy of agriculture in this country. I thank the Senator for obtaining the information.

Mr. BARKLEY. I thank the Senator for giving me the opportunity to ascertain the Secretary's views.

Mr. AUSTIN. Mr. President, from our selfish point of view, from a nationalistic point of view, this country's prosperity and happiness depend upon our leading the rest of the world in an expanding economy. There is no other leader in the world. There is none left with the knowledge or capacity to take this problem in hand and carry the torch to a better level of economics and society. We are no longer hitched to the old theory that in our economics we must compete with every other country on the globe for more of the same small pie than we had before, getting it by taking it away from someone else. We have found that that method is a failure, and

results in distress in some places and extraordinary surplus in others.

We now know, and all who have considered the matter, even back on our hill-sides and in our valleys, know that what we must have is a larger pie. We must create a greater market. We must build a consumption which will call for a production in our country which will make us richer and happier than we have ever been before.

We have learned that we cannot tread around in this little mill, depending upon what we can take away from some other country in the way of marketing agricultural goods and food. If we wish to expand our activity and raise our agricultural community to a higher level, we know that we must have more consumers, consumers who demand the kind of products we produce. We know that that result cannot be attained unless the general health of the economic world is improved. It is our duty as the legislature of the people of the United States to do our part here in bringing to the world the new idea of creating a greater pie, in which we will obtain our part, not by taking it away from some other country.

It may be said, "You have a nice metaphor there, but what is the practical side of it? How are we to carry out the program?" The only way in the world to carry it out is through the mechanism which will bring to us the information which will show us where we can encourage a higher level of civilization, where we can create an additional market, where we can get a greater consumption of the goods we wish to sell. Furthermore, we cannot gather the information which is necessary to create this new economy in the world without some organization which collaborates and puts the whole thing together, analyzes it, and distributes it. We cannot have systematic research without organization and backing. It may be begun on a very modest basis in this organization; but once begun, it may develop, and that research will contribute to the happiness of the world and of all humanity.

I have spoken of this matter purely from the selfish point of view. Our pocketbooks require that we act while the rest of the world will cooperate and act with us. This is our opportunity. The door is open. Are we going to shy at the threshold, waiting to call in individual farmers to testify about world economy? The farmers who appeared knew something about agricultural economics; and if anyone cares to go into a detailed study, he will find their testimony and statements in the record.

It is not only a question of raising food and other agricultural products, which in the case of this institution would include forest products and fisheries, but it is a matter of distribution, and of balancing production and consumption. In the record of the hearings will be found the testimony of experts on the subject of commerce, and the distribution of commodities. That, in a general way, is a part of the objective.

I now wish to invite attention to the testimony of Dr. Parran on the subject

of health, which is involved in this attempt to furnish one of the instrumentalities which humanity demands of us at this time, not bye and bye. I read from Dr. Parran's testimony, beginning at the middle of page 39 of the House committee hearings:

At Hot Springs, for the first time in history, delegates representing 44 nations agreed unanimously that the conquest of hunger and the progressive improvement of diet are attainable goals. This Conference, in effect, was made possible by the advances in science, particularly in three directions:

First, the development of agricultural science has made it possible to grow much more food than grew before.

Second, mechanical science applied to production and transportation has lightened the labor of man, replaced domestic and draft animals to some extent, and has multiplied greatly mankind's capacity to produce and distribute food.

Third—and this point is perhaps not so well known—as the first two—the newer knowledge of nutrition and its relation to human health is one of the greatest scientific miracles of our time, and it has taught us and we have learned what is required to nourish the human body. Thus it is possible to eradicate all of the many diseases which are caused by a deficiency in the diet; to reduce infant and maternal mortality, to prolong the active productive span of life, and to attain a higher level of physical and mental vigor.

I know what he is talking about. I visited Palestine in 1936, and I made a close study of the economic and social conditions there. I saw the effect upon infant mortality of the change in the diet of the people of Palestine which was brought about by the Jews in Palestine. They were able to produce those changes by virtue of the knowledge they had.

That is what this institution deals in—knowledge. It does not take any goods and move them about. It does not engage in a single transaction in commerce. It is not an operating organization. It is a research institution which gathers information and disseminates it, according to the scientific plan which is devised, by means of obtaining information here and there all over the world, including the sour spots, the deserts, the swamps. They can be transformed, and I and other Senators have seen such transformations wrought in other places.

The question now before the world is how to get the proper diet to the people, in order, of course, to improve their lives and to make them happier and more productive, but from our selfish economic point of view in order to make the pie bigger.

Mr. BUTLER rose.

Mr. AUSTIN. I yield to the Senator from Nebraska.

Mr. BUTLER. I think we can all agree wholeheartedly with the sentiments expressed by the distinguished senior Senator from Vermont as to the desire for the advancement of health and food conditions throughout the world; but I wonder why we refer these problems to an international organization of agriculture, supposed to be speaking for those who are concerned with agriculture, instead of to an international medical organization. I think perhaps such an organization is already in existence.

Mr. AUSTIN. Mr. President, it is clear that the Senator from Nebraska is confused about the facts. I have not referred to any international medical organization or to any member of an international medical organization. I have referred to the testimony of an expert who knows what the conditions in the world are, and who subsequently described—as the Senator will note if he will read the testimony—conditions here and there which should be remedied by an institution of this kind, which would be able to collect the information and provide it to those who can disseminate it, and thus help to raise the standard of those who are on a low standard, and call upon those who produce more than is necessary, to supply from their surplus those who are in want. That work is proposed on the basis of improving health. One cannot consider the perfectly desperate condition of Europe and Asia without recognizing that the health of the world is threatened by that condition, the remedying of which depends partly upon getting food to people who have it not.

Mr. BUTLER. Mr. President, the facts the Senator has given are taken from testimony which I think was given at Hot Springs, Va.

Mr. AUSTIN. Again the Senator is mistaken. They were taken from hearings held by the House Committee on Foreign Affairs, on April 12, 1945.

So far, Mr. President, the objections which have been interposed to having the Senate proceed to the consideration of this measure have been based upon something which is as far from the facts and as far from the subject matter as anything could be.

Mr. LANGER and Mr. REVERCOMB addressed the Chair.

Mr. AUSTIN. I yield first to the Senator from North Dakota.

Mr. LANGER. Mr. President, I wish to make one thing very clear, namely, that aside from the testimony of Dr. Parran, we must consider the matter of livestock and grain in this country. For example, in my State of North Dakota in 1 year we lost nearly 10,000 horses because of what we call sleeping sickness. There is no use in spending a great deal of money in North Dakota to prevent the spread of that disease, when from right across the line from Canada—from Saskatchewan and Alberta—the disease might be brought into our State again, thus doing away with the benefit of any preventive measures which we might have taken. Similarly, there would be no use in spending a great deal of money for the prevention and cure of Bang's disease, so far as our livestock is concerned, when further infections of that disease might come into our State from Canada. Of course, in order to prevent the spread of the hoof-and-mouth disease, for instance, we continue to put embargoes on the importation of livestock from Argentina, Mexico, and other countries; and, in an effort to prevent the importation of oranges affected with scab and other diseases, we imposed embargoes against the importation of fruit from abroad, in many instances.

Let me also refer to varieties of wheat which have been developed. Some varieties are rust-proof and frost-proof. There are some varieties of wheat which can stand a temperature of 40 degrees below zero. The quicker we can make use of the information now possessed by Russia, for instance, which has 30,000 different kinds of wheat, and which has already sent 60 organizations all over the world to study the various flours and the various varieties of wheat and other grains, the quicker we shall be able to obtain the benefit of that knowledge, and the better it will be for everyone.

So, Mr. President, it is not only a matter of the health and welfare of human beings, about which Dr. Parran testified, but we also must consider the welfare and development of livestock and the improvement of all sorts of grains and other crops.

Mr. AUSTIN. Mr. President, let me state for the RECORD that the Dr. Parran to whom I have referred is Dr. Thomas Parran, Surgeon General of the United States Public Health Service.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. AUSTIN. I yield.

Mr. TOBEY. I came into the Chamber late, but I know something about this organization. I wish to speak briefly in commenting upon the remarks of the Senator from Vermont, and I honor him for what he has said on the floor of the Senate this afternoon.

Mr. President, addressing myself to the remarks of the Senator from Vermont, I say I can see where there may be a great difference of opinion in this body about some of the measures for international cooperation. For instance, on the Bretton Woods agreements which we debated during the past 4 days there was a manifest difference of opinion on several points, but each group was sincere, and finally, last night, we gave our support to it.

On the matter of the San Francisco Charter, which will be before the Senate next week, there will be great differences of opinion as to the wisdom of the limitation on veto powers contained therein, and that subject would be germane for discussion in connection with consideration of the Charter.

But I cannot for the life of me understand how any man can object to consideration of this long-overdue legislation which would put into effect this great organization for the world-wide study of food supplies. The best definition I can give of research is "to extend the borders of knowledge" of such matters.

If there is one thing that we should do, it is that our Nation should cooperate to the limit with the stricken world to put it on its feet again. That is why we voted for the Bretton Woods agreements; that is why we will vote for the San Francisco Charter; and that is why we should vote for this measure today.

Mr. President, I close with a statement which comes from a man whose name is Maxwell Anderson. He wrote a great play, Valley Forge. I shall quote

a few words from that play. Laugh them off if you will. Here is the quotation—and I appeal to the Senate today to remember this as we vote on this matter:

There are some men who lift the level of the age they inhabit until all men stand on higher ground in that lifetime.

Mr. President, let that be the spirit and purpose of America. That is what America, my country, is trying to do in the Bretton Woods agreements, in the San Francisco Charter, in these food agreements, in the aviation agreements—to put a prostrate world back on its feet, realizing that we all are interdependent and that in the last analysis we are "one world."

I urge the Senate to adopt this proposed legislation now, speedily—pronto. It is all too long overdue.

Mr. AUSTIN. Mr. President, I do not intend to make a long speech. My time would have been shortened a great deal if colloquy had not been interposed. I do not intend to discourage that, but I am trying to have my colleagues understand that the pending motion has to do with a matter which relates to the collection and dissemination of knowledge for the benefit of the human race. It does not relate to any reformation of our economic system, any exercise of dictatorial power, any movement of masses of people any modification of our immigration laws, or any interference with the domestic life of any other country on earth.

Mr. President, I shall read a few extracts from the testimony of Hon. William L. Clayton, Assistant Secretary of State, who knows this subject if anyone in America knows it. His statement answers many of the questions which have been asked, and I believe it will answer some questions which have not been asked. I read from the bottom of page 33 of the committee hearings:

First, as to production. Already the highly developed agricultural countries have built up a great body of knowledge on how to produce food and agriculture products abundantly and efficiently and they are learning more every year. Through the facilities of the Food and Agriculture Organization this knowledge can be pooled and can be carried quickly to the far corners of the earth, including the countries that are not yet so far advanced.

I am skipping a part of his statement, and read further:

The second major point I have in mind concerns the way the Food and Agriculture Organization could help increase total consumption of food and other agricultural products by emphasizing the need for better nutrition and better levels of clothing and housing. Greater consumption must go hand in hand with greater production. Otherwise increased production makes no sense at all. During recent years the world has learned how much trouble unused production can cause, not only to producers but eventually to consumers as well.

The efforts of every country to seize advantage for itself seem especially tragic and futile now that we can look back and realize that all the time the total world market they were competing for was becoming smaller. World trade in agricultural products shrank

more than 4 percent from 1929 to 1937 in terms of volume, and nearly 60 percent in constant dollar value. There were times in the period when the dip was much greater. During the same period, to make matters worse for this country's farmers our share of the dwindling total dropped from more than 13 to between 8 and 9 percent. As we see it now, the great need was for greater consumption.

I now read what Mr. Clayton said with regard to balancing consumption against production:

Naturally, a great part of the job of balancing consumption against production will need to be done within each nation. Even for those internal tasks the information gathered by the Food and Agriculture Organization and its recommendations on the basis of pooled experience can be extremely valuable.

The rest of the job of establishing balance depends on the way world commerce is conducted.

I skip there and read:

Through the Food and Agriculture Organization, the nations of the world can gather and analyze this information.

He described that information early in his testimony.

Coming to his last point he states:

This last point, and the others I mentioned earlier add up into one great and simple truth. Working together, the nations of the world can expand world trade, and raise living levels of producers and consumers of food and agriculture products. We know how to produce and we know the need for greater production. The need now is for a world-wide balancing of consumption with production. When nations strive for that balance separately their efforts cancel each other out. We know that from experience. Intelligent cooperation among nations is what is needed. Establishment of the Food and Agriculture Organization will do much to stimulate that kind of cooperation and make it productive of the fullest results.

That is all I shall read from the hearings.

I now invite attention of the Senate to the constitution itself. Article I covers the functions of the organization. It is necessary to read it. I always dread reading anything aloud, but I must read this because it is the only way by which I can get it exactly before the Senate. I read:

ARTICLE I (FUNCTIONS OF THE ORGANIZATION)

The Organization shall collect, analyze, interpret, and disseminate information relating to nutrition, food, and agriculture.

2. The Organization shall promote and, where appropriate, shall recommend national and international action with respect to

(a) scientific, technological, social, and economic research relating to nutrition, food, and agriculture;

(b) the improvement of education and administration relating to nutrition, food and agriculture, and the spread of public knowledge of nutritional and agricultural science and practice;

(c) the conservation of natural resources and the adoption of improved methods of agricultural production—

I pause in reading to make a comment. The language which I have read could apply even to us. But there are spots on this globe where the earth is being

turned over with a stick at the present time.

Mr. President, I apologize for taking so much time. I will finish reading the category:

(d) the improvement of the processing, marketing, and distribution of food and agricultural products;

(e) the adoption of policies for the provision of adequate agricultural credit, national and international;

(f) the adoption of international policies with respect to agricultural commodity arrangements.

3. It shall also be the function of the organization—

(a) to furnish such technical assistance as governments may request;

(b) to organize, in cooperation with the governments concerned, such missions as may be needed to assist them to fulfill the obligations arising from their acceptance of the recommendations of the United Nations Conference on Food and Agriculture; and

(c) generally to take all necessary and appropriate action to implement the purposes of the Organization as set forth in the preamble.

That is all. There is nothing in it about immigration. There is nothing in it about the peculiar material which was discussed a few minutes ago relating to an earlier report of the interim commission, which met at Hot Springs. By the way, nothing will be found of that kind in Report No. 1 which is referred to in the resolution itself. I have that report in the form in which it came out. I have before me an original. It is marked "confidential." Of course, it is no longer confidential.

It is the first report to the governments of the United Nations by the interim commission on food and agriculture. There is not anything in it like the material which was urged as a reason for not proceeding with the consideration of the joint resolution.

Mr. REVERCOMB. Will the Senator yield?

Mr. AUSTIN. Certainly.

Mr. REVERCOMB. The Senator made reference a while ago to a report which was confidential and is now no longer confidential. I trust the Senator did not mean to infer that there was any revelation of a confidential report in the matter from which I read.

Mr. AUSTIN. No; it never occurred to me that that could be true.

Mr. REVERCOMB. What I read was anything but confidential.

Mr. AUSTIN. I did not mean that, of course.

Mr. REVERCOMB. I merely wanted that clarified.

Mr. AUSTIN. Certainly.

Mr. CHANDLER. Mr. President, is there anything in the so-called arrangement between the United States and other nations whereby those empowered under this instrument would have ample authority to move farm populations in the United States?

Mr. AUSTIN. I can say to the Senator definitely, "No" there is not one single obligation on the United States created by this joint resolution, excepting the necessary contribution to the Fund. There is no other obligation whatever,

and the United States and every other member of this Organization will be just as free after it signs and becomes a member as it was before. It will be vastly richer, however.

Mr. CHANDLER. I thank the Senator.

Mr. REVERCOMB. Mr. President, I shall not take very much longer in the discussion of the suggestion that we be given more time for the consideration of this important measure.

First I wish to say that I have no desire to belittle the high aspirations and the esthetic ambitions declared here on the floor of the Senate for the help of the world. I subscribe to them heartily. But I wish to say that that is going to be obtained through practical measures. This country is going to help the world by staying strong and protecting itself. Once we become weakened, we will be of very little help to the other countries of the world.

I have listened with interest to the able discussion, from his viewpoint, by the senior Senator from Vermont [Mr. AUSTIN]. He says, and I use his own words, that this joint resolution does not deal with a single farm or fertilizer or a certain group, that it deals with agricultural economics and sociology. I wish to say that unless this Government does in a practical, sound, and reasonable way protect the farm interests and the people of this country there will not be any single farms, there will not be any great single crops. This is a practical question, and not within the realm of fancy, to which some reach out without considering the practical side of it.

Mr. President, it is said here, and repeated time after time, that the United Nations Conference on Food and Agriculture held at Hot Springs, Va., May 18 to June 3, 1943, had nothing to do and no connection with this joint resolution. I challenge that statement. The able Senator from Vermont himself read from testimony of one witness before the committee who spoke of what was determined at the Hot Springs Conference. This very proposed so-called constitution grew out of the meeting that was called and the Conference held at Hot Springs.

Of course, there has not been written into the constitution anything about the migration of people, but the report signed by the representatives of the United States, with their names listed, along with those of other countries, recommended to the United Nations and to the rest of the world that migration be brought about under this international group to be set up, not only within a country, but from one country to another. Can it be said that that report has nothing to do with this Organization? I challenge that statement, because it was born of and fostered by what was done at the Hot Springs Conference.

We would be led to believe that this Organization has to do only with the distribution of information, disseminating of news, the improvement of crops, and the curing of the diseases of crops. Let me read from the proposed constitution itself. I read from article I:

The Organization shall promote and, where appropriate, shall recommend national and international action with respect to

(d) the improvement of the processing, marketing, and distribution of food and agricultural products;

(e) the adoption of policies for the provision of adequate agricultural credit, national and international;

(f) the adoption of international policies with respect to agricultural-commodity arrangements.

I wish to read another provision to which I invite the attention of my friend the Senator from Kentucky [Mr. CHANDLER], who asked a question as to whether there was anything in this constitution about migration. No, there is nothing in it about migration, and there would not be in a constitution. The migration of people from other countries to this country, or from one country to another, wherever the international Organization might direct the move, was a recommendation of what should be done; but it was out of that that the constitution came into being. But let me tell the Senate what is in the constitution. I call attention to article XX:

AMENDMENT OF CONSTITUTION

2. Other amendments shall take effect on adoption by the Conference by a vote concurred in by a two-thirds majority of all the members of the Conference.

Prior to that there is this with respect to amendments:

Amendments to this constitution involving new obligations for member nations shall require the approval of the Conference by a vote concurred in by a two-thirds majority of all the members of the Conference and shall take effect on acceptance by two-thirds of the member nations for each member nation accepting the amendment and thereafter for each remaining member nation on acceptance by it.

This follows the provision I have just read:

Other amendments shall take effect on adoption by the Conference by a vote concurred in by a two-thirds majority.

So, once adopted, two-thirds of the members can change and amend this constitution.

Mr. CHANDLER. Mr. President, will the Senator yield?

Mr. REVERCOMB. I yield.

Mr. CHANDLER. What is the right of withdrawal?

Mr. REVERCOMB. I do not know. I intend to propound that question.

Mr. BURTON. Mr. President, that is provided for in article XIX.

Mr. REVERCOMB. Article XIX reads:

Any member nation may give notice of withdrawal from the Organization at any time after the expiration of 4 years from the date of its acceptance of this constitution. Such notice shall take effect 1 year after the date of its communication to the director-general of the Organization subject to the member nation's having at that time paid its annual contribution for each year of its membership including the financial year following the date of such notice.

Mr. CHANDLER. The Senator will concede that any arrangement between nations to solve the food problems of the world would not be effective without the United States participating.

Mr. REVERCOMB. I should think the United States would want to be in any arrangement which pertained to food.

Mr. CHANDLER. I do not assume at all that we are not going to get the worst of it; I do assume we will, because we have the food, we have the money, we have the resources, and if one does not think we are going to get the worst of it, all he has to do is travel around in other countries and see their lack of resources. But it will not succeed without the United States being a party to it. We are parties so long as we pay dues. I would not agree to our being imposed upon too much. If we are imposed upon too much and if there is an opportunity to get out of it, we could get out of it. I simply want to find out if what we are doing is entering into an arrangement whereby we can use the facilities we have and the resources we have to solve the food problems of the world, because there are millions of people in the world who die because they do not have a grain of wheat or a grain of corn. If the problems are ever going to be solved they must be solved by the United States. It is all tied up with the hope for peace. We cannot have peace in the world when people are hungry. Many people are hungry and without the bare necessities of life. So long as that situation continues we are not going to be able to arrange a lasting peace. If the conditions become too burdensome upon the United States and we are imposed upon we can withdraw. That is not a threat to withdraw, but we still can withdraw. I simply want to be certain that the Senator agrees that we have that right.

Mr. REVERCOMB. Mr. President, the Senator from Kentucky has said something which is quite germane to the whole subject. He says he knows that the United States is going to get the worst of anything we go into. I am afraid he is right; I rather think he is. It is with that in mind that we ought to approach the subject. There is no reason why this country should get the worst of it and there is no reason why the elected representatives of the people of this country should subscribe to something with the knowledge or feeling that their own country is going to get the worst of it.

Mr. President, I want to be generous. I want this country, even if it means depriving itself, to take any necessary step to prevent hunger. I want that done. But I do not want to subscribe to a supergovernment or a superorganization having to do with food and agriculture that is going to control the agriculture of this country. I am afraid this is one step toward that end.

What we are arguing at this time is the question of whether to give greater consideration to the subject. I had hoped that we would give greater consideration to it. I have urged it, and it is on that basis that the discussion started.

Mr. CHANDLER. Mr. President, will the Senator yield?

Mr. REVERCOMB. I yield.

Mr. CHANDLER. The statement I made that we would get the worst of it is not meant in any other sense than to explain that when one goes in partnership with others who do not have resources and who do not have money and who do not have equipment, they

can obtain food only by adopting American methods and machinery, and having equipment and access to those things. Otherwise they are not going to be able to raise the food in sufficient quantity. They do not know anything about how to live in accordance with our understanding of living in the United States. Unless we go into this Organization it will not succeed. When we go into it we must do so with a full realization of the condition the world is actually in, with its depleted resources in money and material and men, with millions of people in slavery and in distress and hungry.

Mr. President, we have spent billions of dollars to make war, and we have sacrificed however many of the lives of our sons as have been necessary so far to win the fight. We must spend money now and we must cooperate for peace just as earnestly as we did cooperate successfully for war. I would not go into this Organization with any understanding that in going into it we are going to fail in any sense to put up money and manpower and material and equipment. The Organization is in the interest of peace. It is formed in order to bring about peace in the world, the thing for which we have fought.

Mr. REVERCOMB. We all want peace, Mr. President, but when it comes to the question of placing the funds of this country into the hands of an organization such as this I believe we should give to the subject due consideration. I subscribe to the general principle that American funds should be handled by the United States as a matter of its own generosity, that it is its own gift, and not with any other consideration.

Mr. BURTON. Mr. President, will the Senator yield?

Mr. REVERCOMB. I yield.

Mr. BURTON. The Senator spoke in regard to a provision for amendment of the constitution, and he suggested that the constitution could be amended by a two-thirds majority of the members. I believe, however, he read just before that a provision which is an unusual and a protective provision, to the effect that if new obligations were involved in an amendment such amendment would not become effective upon a member except upon the acceptance of the individual member concerned.

Mr. REVERCOMB. Yes; and what "new obligations" may mean is something I cannot define and it is not defined here. After that there is a second clause which says that by a vote of two-thirds majority the constitution may be amended.

Mr. BURTON. Such amendments are those that do not involve new obligations for members.

Mr. REVERCOMB. I do not know what an amendment would be which did not involve some kind of obligation.

Mr. BURTON. Will the Senator yield for one other question while I am on my feet?

Mr. REVERCOMB. Yes.

Mr. BURTON. I want to inquire with regard to the effectiveness of this constitution at the present time. It is provided that it shall become effective when 20 acceptances have been filed. Some-

thing has been said about 23 acceptances having been filed. Is the constitution therefore now in effect?

Mr. BARKLEY. Twenty-three have accepted the terms of the constitution of the Organization.

Mr. BURTON. Then the Senator regards the organization as now an active concern, ready to hold its first meeting?

Mr. BARKLEY. Twenty acceptances are required, and 23 have been filed.

Mr. REVERCOMB. Mr. President, the question is whether we shall proceed at this time to the consideration of this important international matter, and I wish to insist and urge that we defer and postpone consideration of it.

Mr. MORSE. Mr. President, will the Senator yield long enough for me to discuss the Oregon lamb problem?

Mr. REVERCOMB. I trust that if the Senator does so, he will make his discussion on lambs today short.

Mr. MORSE. I shall not discuss it at any great length, but I do want to help complete the record.

Mr. BARKLEY. Would the Senator from Oregon be willing to make his discussion on the joint resolution? I am anxious to get a vote on my motion to proceed to consideration of the joint resolution.

Mr. MORSE. I am very anxious, I will say to the majority leader, that I have as many Members in the Senate as possible to hear this important discussion this afternoon, because I say in all seriousness I think Senators should hear it. It is not going to take me long, and if the Senator from West Virginia does not wish to yield for that purpose I shall be very glad to seek to obtain the floor in my own right, but I am going to discuss the matter, I will say to the majority leader, before we vote on his motion.

Mr. BARKLEY. I do not know whether that is intended to be in the nature of a threat. I have tried in every way I could to cooperate with the Senator from Oregon, and it is a little unusual to ask a Senator who has the floor to yield for such a thing as the Senator from Oregon says he wants to do. I shall not object, although under the rules such yielding would take the Senator from West Virginia off his feet. It would seem to me that the Senator's lamb speech would be just as appropriate on the joint resolution as it is on the motion. I am not going to object to the Senator making his speech. I am not going to try to take the Senator from West Virginia off his feet. But I should like to have a little cooperation.

Mr. MORSE. I may say to the majority leader, so that we can become better acquainted, that I never threaten. I simply announced to the majority leader that I intended to use the floor as is my right as a Member of this body, in a discussion of the Oregon lamb question before the Senator's motion is put. If the Senator wants to argue that I do not have that right I will be very much interested in his discussion on that question.

Mr. BARKLEY. I am not going to argue with the Senator from Oregon, but under the Senate rules, which I am not going to invoke, he does not have the

right to make a speech in the time of another Senator. Under the rules, a Senator who yields for that purpose loses the floor if any other Senator wishes to make the point. I do not intend to make it. The point I made was that the Senator could make his lamb speech after the Senator from West Virginia had finished speaking on the motion.

Mr. MORSE. I shall be very glad to make it at that time.

Mr. REVERCOMB. Mr. President, am I to understand from the majority leader that he desires the lamb speech made after I conclude? Does the majority leader desire that I conclude before the Senator from Oregon proceeds to discuss lambs?

Mr. BARKLEY. I can answer the Senator's question by saying that I desire that the Senator from West Virginia conclude—period. [Laughter.]

Mr. REVERCOMB. I know how very much the Senator from Kentucky desires to have me quit.

Mr. President, I feel that I have said all that can be said seriously on this subject, and I now yield the floor.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Kentucky [Mr. BARKLEY] to proceed to the consideration of House Joint Resolution 145.

THE OREGON LAMB PROBLEM

Mr. MORSE. Mr. President, I shall detain the Senate for a few minutes to discuss the Oregon lamb problem. I am very desirous of building up a record of fact with regard to the Oregon lamb problem. In my discussion of it yesterday I pointed out that in my judgment the Secretary of Agriculture was being misinformed with regard to the facts. I have felt that if the Secretary of Agriculture were given the facts he would act on the basis of the merits of those facts.

One of the questions which apparently has been puzzling the Secretary of Agriculture because of misinformation which he has been receiving is the question as to whether or not there is a lamb problem in Oregon from the standpoint of the lambs available for marketing actually being purchased.

I hold in my hand a letter dated July 18, 1945, an air-mail letter which arrived this morning. I emphasize the date, because I think it is very important to make clear to the Secretary of Agriculture that the data which I am presenting to him are data practically up to the immediate hour, and not data of a week, 10 days, or 2 weeks ago. This letter is from George R. Claxton:

DEAR SENATOR MORSE: I wish to take up the marketing question of lambs with you. I have lambs to sell. I made the rounds at Salem with no success.

He means the rounds of the packing houses.

"Quota filled," they say. Well, why butcher old sheep at this time of the year when the other is fit, or have to wait and take a shrink in weight, and then turn back until they fill up their quota with old stuff, and you can whistle? This should be cleared up.

Yours truly,

GEORGE R. CLAXTON.

I am very much impressed with letters such as this one, which I have been receiving. They are being written by the farmers of the Willamette Valley, men who are so disturbed about the fact that they cannot sell their lambs that they finally appeal to their Senators in Washington. What they ought to be able to do is load up the lambs and take them to the packing houses of their local communities and have them purchased, as has been the case historically for years past.

I wish to give the Secretary of Agriculture some more data and facts, which he, in very good faith, and quite properly, has requested.

Mr. FERGUSON. Mr. President, will the Senator yield to me for an observation?

Mr. MORSE. I am very glad to yield for an observation.

Mr. FERGUSON. Mr. President, the subject of food is an important one. The joint resolution which was under discussion at the time the Senator from Oregon began what he had to say on the food question involved the same general question. Coming from Michigan, I know that this is a serious problem.

Last evening 400 restaurant keepers of the city of Detroit and vicinity held a protest meeting at the Statler Hotel in Detroit. Those men are law-abiding citizens. They want to comply with all the orders of the Government, but they find themselves confronted with the problem that they are getting 64 percent of one red point per meal to feed the people of Detroit and vicinity.

Detroit is in a peculiar position. We have men there who work hard, who work long hours, because they are producing the wherewithal with which we are going to win the war with Japan, and which we have used to win the war with Germany.

Mr. President, we find ourselves confronted with the same problem with which the Senator from Oregon finds himself confronted. I am told today that in the latter part of June a communication setting forth these facts was sent to the OPA, and those who sent the petition have not even had the courtesy of a reply. This is a serious matter. I have telephoned to the OPA, and after going from one to the other, I finally found the man who claimed that he would try to find the petition.

Mr. President, we need food in America. The Senator from Oregon has brought to the attention of the Senate the fact that there is food in Oregon, but because of the rules and regulations of the OPA, it cannot reach the tables of the American people.

In April an order was issued known as order No. 1, which prohibited the class 2 slaughterers of the Nation from killing beef, when the people have beef on the hoof that could be killed. So, Mr. President, I hope that the Senate will give attention to this matter very soon. If the Senator from Oregon does not soon get results, he will not be able to speak on the lamb problem, because the lambs will be mutton by the time he gets through.

We cannot obtain relief. The people of Detroit have not had relief. Now we

are to be the first city to have 10 class 2 slaughterers on the no-quota list; and yet there are 34—24 of them in Michigan—on the quota list, when the people of Detroit cannot get enough food in the restaurants.

A great many persons in Detroit who are working hard simply cannot be provided with the proper food to do their work on the basis of 64 percent of one red point for a meal. Something must be done. The OPA cannot solve these problems on an over-all national basis. The OPA must consider specific cases. That is the kind of a case which the Senator from Oregon is talking about. The lambs are there.

Seventy thousand Michigan farmers have cattle which could be killed if it were not for the regulations of the OPA limiting the quota that can be killed, which results in a failure to provide the people of Detroit and the metropolitan area with food.

Mr. President, this is a serious domestic problem. We have been talking about the over-all international problem with respect to food but here in America today we have a domestic problem which should be solved. We should sit here and listen to what is being said by the Senator from Oregon, and give it attention. Mr. Bowles is not in the city today. The last four times I called him he was not in the city. He should be here in Washington helping to solve the domestic problems of America, in order that we may have food when food exists in America but cannot reach the tables of the American people.

Mr. MORSE. I thank the distinguished Senator from Michigan for his very able presentation of the basic problem to which I have been trying to call the attention of the Senate for several days. My deepest regret is that only eight or nine Members on the Democratic side of the aisle were in the Chamber to hear the Senator's remarks. I regret very much that apparently that has been indicative of the administration's entire attitude toward the food problem. Until the Democratic administration exercises greater vigilance in this matter, the American people will continue to have less and less food on their tables.

Mr. YOUNG. Mr. President, I am sure the farmers of America and the consumers of our country appreciate the fight the able Senator from Oregon is putting up in their behalf. If we can in some way solve this problem of today, we will increase the production of tomorrow.

I have in mind the hog situation back in 1943. That problem was never solved. As a result, hog production was cut down 35 percent.

I know that the bureaucrats in Washington have claimed credit for the tremendous production of farm crops which has occurred in the past several years. I would say it occurred in spite of them. I would say it was due to three or four reasons: First of all, the abundant rainfall all over the United States, for which we can thank God and no one else; second, the extreme patriotism of the farmers of America; third, I believe the new varieties of corn, wheat, and other products, which I think have added perhaps

one-third to the production; fourth, the modern machinery which has enabled the farmers to increase production tremendously, despite the shortage of labor.

Mr. MORSE. I thank the Senator for his remarks.

Mr. MOORE. Mr. President, will the Senator yield to me?

Mr. MORSE. I yield.

Mr. MOORE. I am glad to see that a serious note has been injected into this all-important matter. We are talking about food for the American people. Mr. President, in my opinion, we have almost reached the time when one who speaks about the American people and the Constitution of the United States is classified as a crackpot; we are not supposed to discuss old-fashioned subjects of that kind.

I have been glad to hear the Senator from Michigan [Mr. FERGUSON] and other Senators recite in this Chamber instances in which shackles are being put upon the people of this country by the institution known as OPA, which is supposed to handle the distribution of food throughout this country and prevent the occurrence of an inflationary spiral.

I think it is rather well known in the country that I have said that it is impossible for the OPA to be administered with justice and fairness, even if there is a willingness and an intent and a desire to do so. I wish to cite an instance in my own State which is a flagrant example; yet I know it is merely one of many which exist throughout the country. The situation is extremely serious, and there is no facetiousness in that remark. In my candid opinion, consideration of the OPA should replace consideration of the international situation, about which many people are so greatly concerned, almost to the exclusion of consideration of our own people and our own country.

In Oklahoma, at Cushing, where a substantial number of people are engaged in the oil industry, in mining, in farming, and in other occupations, a packing house had a quota of 400,000 pounds of liveweight cattle and 400,000 pounds of liveweight hogs a month. Only recently, after it was understood that the quota could be used by that packing house, the OPA issued an order entirely eliminating its hog quota and reducing its cattle quota to 110,000 pounds a month—with the result that a state of starvation has almost been produced in that community. The situation is so serious that the refinery employees there have threatened to strike unless they get meat.

Mr. President, the strike is the weapon which can be used in this country. Strikes have been encouraged throughout this country time and time again. The strike is the instrument of power today; it is what is welding the influence. The strike—not Senators or Representatives—is all powerful.

It was stated time and time again that when we had a new Secretary of Agriculture there would be some relief for this situation. The Senator from Oregon has been telling the Senate how the Department of Agriculture has seen fit to team up with the OPA and pretend to care for the situation in Oregon. I think the statute gives the Secretary

of Agriculture the right to take the matter into his own hands; yet it looks as if we may be appeasing the indispensable organization known as the OPA.

Mr. President, how long will the people of this country tolerate the tyranny which is being practiced by the OPA and similar institutions?

I have written a letter to Mr. Chester Bowles, of the OPA, a man who is praised by high and low throughout this country as a person of integrity, knowledge, and capability. I have called his attention to a particular matter by means of a letter which I wrote to him on July 16, 1945. In my letter to him I referred to the threat of the Office of Price Administration's district office at Dallas, Tex., to have OPA investigators proceed at once with a check-up of the contents of private frozen-food lockers in six Southwestern States. In other words, Mr. Bowles has threatened that he himself, upon his own motion, will go through this country, including Dallas, Tex., and places in other Southwestern States, and will invade the food lockers of the citizens of this country, and that he will do so without a search warrant.

Mr. President, that would be a violation of the Constitution of the United States; it would be a violation of the Bill of Rights. Yet, as I have pointed out, Mr. Bowles would do that at this time.

If he thinks his organization is as indispensable as all that, he almost places himself in the position of being a crackpot.

Mr. President, if it will not interfere with the sequence of the remarks of the Senator from Oregon, I should like to have printed at this point in the RECORD the letter which I have written to Chester Bowles, calling his attention to the unconstitutional actions on his part in attempting to violate the rights of our citizens, protected under the Bill of Rights.

Mr. MORSE. I have no objection at all.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JULY 16, 1945.

Hon. CHESTER BOWLES,
Administrator, Office of Price
Administration, Washington, D. C.

DEAR MR. BOWLES: I note from the press releases that the Office of Price Administration's district office at Dallas, Tex., has ordered OPA investigators to proceed at once with a check-up of the contents of private frozen-food lockers in six southwestern States.

Sometime ago I observed, in some remarks I had to make with respect to what I deem to be the unsoundness of the principles on which OPA is predicated, that undoubtedly great quantities of meat and other foods had been hoarded by individual citizens. This applies to the kitchen pantry as well as to frozen-food lockers. That is to say, the statement is as applicable to other scarce foods as it is to meat.

The issue I desire to raise with you at this time, however, is the constitutional right of OPA investigators to forcefully enter the private domain and seize the private property of any citizen of the United States without a search warrant or an order of the courts. Certainly, the Emergency Price Control Act does not attempt to confer such authority on the OPA. If it did, it would be

beyond the constitutional authority of the Congress.

OPA investigators are as amenable to the provision of the bill of rights prohibiting forceful search and seizure as any other officer of the law, unless armed with the proper legal authority. They have no more right to enter a frozen-food locker and seize the contents therein, than a Treasury official would have to enter a lock box at the bank and seize gold certificates, without a search warrant or a court order. They have no more right to enter a frozen-food locker and seize the property contained in it, than they have to forcefully enter a private home and seize the food in the kitchen pantry.

It seems significant that this unconstitutional program has been delayed until after the Congress extended OPA for another year. During the recent consideration of the extension of OPA by the Congress, we were assured that the future conduct of its affairs would be within legal and constitutional limits. This, however, does not appear to be the case, in view of recent developments.

The action of OPA with respect to the search and seizure of food lockers is a serious invasion of the Constitution. Whether or not the people have cheated is not an issue. In many cases they have, but if so, there are perfectly legitimate, constitutional, and legal methods by which OPA may enforce the provisions of the law or regulations promulgated in conformity with the law. Most certainly, there is no authority by which OPA, or any other agency of government, may justify resorting to illegal or unconstitutional means to accomplish its desired ends.

If you persist in this method of operation, I trust the courts of the land will have the courage and the necessary respect for the Constitution to deal with your investigators as any other violators of the law. I trust the people whose rights have been invaded will resort to the courts for proper redress.

Yours very truly,

E. H. MOORE.

Mr. MORSE. Mr. President, I thank the Senator from Oklahoma for his remarks. He has given great support to the measure now pending before the Committee on Banking and Currency; I refer to the resolution introduced by the Senator from Nebraska [Mr. WHERRY] and myself. It calls for an investigation by the Senate of the policies and practices of the OPA.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. WHERRY. I should like to ask the Senator from Oregon what the status of that resolution is at the present time. Has there been a hearing on it?

Mr. MORSE. There has not yet been a hearing on it. I have asked the chairman of the Banking and Currency Committee for a hearing on it. I am sorry he is not now in the Chamber, because I was going to ask him on the floor of the Senate this afternoon whether he could give me any indication as to whether he is disposed to immediately give me a hearing on the resolution and, if so, when; because if we cannot obtain a hearing on it in the immediate future by the Committee on Banking and Currency, I shall move to have the committee discharged. I say that because I am not going to fail to do everything I can do to check what I think is a concerted effort to prevent a housecleaning in OPA.

Mr. WHERRY. Mr. President, will the Senator yield further to me?

Mr. MORSE. I am glad to yield.

Mr. WHERRY. I should like to say at this point that I do not wish to take the time of the Senate this afternoon to review the meat situation which confronts the livestock feeders of America, but I expect to say something about it before the Senate takes its recess.

In the meantime I should like to suggest to the Senator from Oregon, by way of supplementing the remarks he made yesterday on the floor of the Senate relative to the situation in which the restaurants of this country find themselves, that the Small Business Committee has received hundreds and hundreds of letters and communications relative to the situation confronting the restaurants of the Nation at this time.

I desire to say for the benefit of the Senate that the Small Business Committee is now making a preliminary survey. If what has been charged in the letters and telegrams is true, I am quite sure it will lay a basis for a complete hearing relative to the restaurant situation throughout the Nation.

Mr. President, approximately a week ago I submitted for the RECORD a resolution coming from Grand Island, Nebr. In that resolution the restaurant owners notified the mayor of Grand Island that unless the point system was changed and unless food was provided, they would have to close their doors. In Grand Island there is located the Quaker Oats Ordnance Depot, where great quantities of ammunition are produced for our military forces. The situation in that location is alarming; and what is true there is, I am quite sure, true in many other places in the country.

I should like to say now that I wish the Committee on Banking and Currency would report the resolution of the junior Senator from Oregon [Mr. MORSE] who really was the author of the resolution, but by an error my name was placed upon it. Of course, I am glad to be a party to it and to join in submitting it with the distinguished junior Senator from Oregon, who is rendering such valuable service here in calling the attention of the Senate to the acute situation existing in the State of Oregon relative to the lamb supply there. Let me point out that the Senator from Oregon has discussed many other things in addition to the lamb situation in Oregon; he has discussed many related situations throughout the country. He has gone much further than that. He has suggested many things which involve the food situation throughout the country. If there was ever a need for a special committee to investigate the food situation, that time is now. The Senator is justified in asking the Senate to appoint a committee which will have for its object legislation primarily, but also the making of suggestions to the Department of Agriculture and to the OPA, in particular, for the effective distribution of food. If we cannot produce and properly distribute food in our own country, there is no use of trying to distribute it to the peoples throughout the world.

As the Senator from Oregon has said, we have wasted food in many sections because of the mismanagement of our food-distribution system. I think that a senatorial committee should be appointed

to advise with the Department of Agriculture, as well as the OPA, on questions concerning the distribution of food to the people of the United States. Such a committee is necessary if the people are to have a fair chance to obtain food and meat which they badly need.

Mr. MORSE. I thank the Senator.

Mr. BUSHFIE D. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. BUSHFIELD. I am interested in what the Senator from Nebraska has been saying with reference to conserving food and not wasting it.

Every Senator in this Chamber knows my feelings with reference to OPA. I not only sought strenuously to reduce its powers, but I have gone so far as to advocate its complete abolition.

Many of our people in South Dakota are farmers as well as townspeople. They operate farms either by proxy or directly. Our people like frozen-food lockers. Many of them have such lockers. I have discovered to my amazement that if I live in town, for example, kill a steer on my farm, bring it to town and put it in my food locker, I may come into contact with the OPA. If an OPA snooper finds that I have food in my locker for which I do not have the necessary points, he either confiscates my meat or demands that I put up the points.

Mr. MORSE. What the Senator from South Dakota has stated is just another argument for the adoption by the Senate of my resolution.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. HICKENLOOPER. I may state in furtherance of what has been said by the distinguished Senator from South Dakota, that I have evidence and knowledge in my office of a regional meeting of the OPA having been held in a certain town in the Middle West. At that meeting a list of towns was discussed in which there had been no prosecutions by the OPA. Apparently the citizens of that community had been complying with the law. However, the OPA had directed the operators to go into the community and find some excuse for prosecutions. The operators were told, "Do not take ordinary people, but get some prominent names on your list. We want to impress them with the power of the OPA." That took place only about 2 months ago.

There is one other thing which I should like to call to the attention of Senators. I refer to the reconversion policies of OPA. I think those policies are doing more to discourage reconversion by American business than anything else. When the over-all industry policy to roll back prices to the level of 1941 and 1942 was announced, even the OPA itself admitted that increases in the prices of materials and labor in producing manufactured articles had resulted in greater cost of production. At the same time the OPA insisted, and are insisting adamantly, if you please, that the prices must be rolled back to those of 1941 and 1942, and that the manufacturer or merchant must absorb the costs regardless of what may happen to him, and whether he goes bankrupt or not. That policy has been enforced in order that the OPA could

hold the mysterious price line, and say in effect, "We have held the price line."

Mr. President, the Senator from Oregon may well continue his fight against the reconversion policies of OPA.

I know that the OPA says that each individual may come and make out his case. But months will sometimes pass before some underling in the OPA will finally arrive at the point where he will bluntly and discourteously tell a businessman, "No, we will not give you a price increase. Those months may mean even life or death in the reconversion of small business."

I congratulate the Senator on the vigor of his fight, and I certainly hope it will continue with increased vigor until finally this great bureaucratic organization, which in many ways is strangling industry, will be compelled to establish and promulgate sensible and efficient American business principles of operation.

Mr. MORSE. I thank the Senator from Iowa for his grand support. I hope that many Democratic Senators who are now absent from the Chamber will read his comments tomorrow in the CONGRESSIONAL RECORD.

Mr. BUSHFIELD. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. BUSHFIELD. I cannot agree with the distinguished Senator from Iowa that all the rules and the regulations of the OPA are made by underlings. We developed before the Committee on Agriculture and Forestry that the chief counsel of this great and glorious OPA had never tried a lawsuit in his life, and had never appeared before a jury.

Mr. BUTLER. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. BUTLER. I thank the Senator from Oregon, and I promise him, as well as other colleagues present, that I will take only a very few minutes to add my statement to what has already been said. I commend the junior Senator from Oregon for his persistence in attempting to obtain badly needed relief.

I should like to read into the RECORD three telegrams of a large number which I have received. The telegrams which I should like to read into the RECORD were received today. Here is one that was received from Elwood, Gosper County, Nebr.:

I have had a slaughter permit pending in Washington for 3 months. We are in the midst of a big harvest and no meat. Not even lunch meat. There is no other permit in Gosper County and we need the meat badly.

Gosper County is one of the largest wheat-producing counties of the State. It produces more food than do many States which are represented in the Senate.

Here is another from Harvard, Nebr., Clay County:

Harvard is forced to feed more than 1,200 people daily including defense workers from the air base, the Navy depot soldiers and their families, and harvest hands. The two cafes are out of points, the butcher shops are out of meats and have been for weeks. No one here has been granted a slaughter permit. Our cafes plan to close unless some-

thing can be done immediately. Harvest hands and workers here must be fed. Conditions are critical. We need help. What can you do for us?

I do not know that we can say the remark in that communication about the cafes planning to close is a threat to strike, but it is the last and only thing they can do if they are not permitted to serve some of the meat that is plentiful in its original and live state, if only the OPA would make it available immediately.

Here is another communication, from Chappell, Nebr., Cheyenne County, the largest wheat-producing county in the world, and Chappell is the largest single shipping point for wheat in the United States:

Meat situation acute. Harvest of bumper wheat crop to begin next week. No meat available for harvest help. Cafes threatening to close for lack of meat. Facilities are adequate to handle butchering, slaughterers' permits. Storage also available. OPA will not furnish adequate meat permit to Chappell food market due to the fact that they were unable to slaughter in 1944 due to sickness. Please lend your immediate support to alleviate critical condition.

Mr. President, I personally handled these three telegrams with the OPA and with the Department of Agriculture today. I find, as the Senator from Michigan told us a while ago, that Mr. Chester Bowles is absent from the city. I am going to be a little more frank than was the Senator from Michigan, and say that the explanation from his office was that he was away on vacation. I think it is a very poor time for a man who is holding the very responsible position Mr. Chester Bowles occupies, when situations are as critical as they are in all the grain-producing States, to be away. I think he should be here on the job, making decisions for those who are working under him, because I was advised today that the decisions in these matters cannot be made until the officials can hold conferences and get in touch with Mr. Chester Bowles.

Someone must do something about this, or the people in Nebraska, and elsewhere, where there is an abundance of meat animals, will have to take matters in their own hands. I cannot advise them to do that, and I hope they will not have to do it, but wheat has to be harvested, and the people have to be fed.

Mr. MORSE. Mr. President, I assure the Senator I deeply appreciate his remarks, and I wish to say to my Republican colleagues that I very much appreciate the fact that a majority of the Republican representation in the Senate of the United States is present at this moment to consider this very vital domestic problem. I deeply regret that only a small sprinkling of Democratic Senators are present in the Chamber.

Mr. WILEY. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield.

Mr. WILEY. I agree with a great deal of what has been said. I wish to say, with regard to the new Secretary of Agriculture, that I wrote him some time ago in relation to the butter situation, and he replied that they were having an investi-

gation, and in August might reduce the points. I immediately answered the letter and called his attention to the fact that the average citizen had 54 red points, that butter would take 24 points a pound, and cheese 12 points a pound, which would make 36. That would leave the difference between 36 and 54, or about 18 points, for meat for the whole month.

Then I called his attention to the further fact that as the result of the high points required people here in Washington were not getting and could not afford to buy butter, and that butter on hand was becoming rancid. I am frank to say that I told him that the result of the high point requirement meant, as the distinguished Senator from Oregon has said, destruction of fat, and that fat was going to the soap manufacturers.

I am happy to say that within 2 days after he received that letter, instead of waiting until August, he immediately reduced the points required for butter from 24 to 16. I did make the suggestion to him that I thought, in view of the fact that this country, especially the children, needed the food and the vitamins contained in butter, butter points should be put down to the basis of oleomargarine, that we could not afford to have a destruction of foods.

Now, in view of the fact that he acted so expeditiously on my suggestion, I wish to ask the idea of the distinguished Senator as to whether or not this suggestion would not be the remedy: Should not Secretary Anderson and OPA immediately delegate to the head of OPA in every State the power immediately to license the slaughterers, and should they not be instructed to go into the various communities and appraise the situation, get the facts, see the needs, and get a directive from Secretary Anderson and OPA to put necessary licenses through immediately?

Mr. MORSE. The Secretary of Agriculture has that authority now, under the Patman amendment.

Mr. WILEY. But does not the Senator think that if he followed that out, we would have a remedy?

Mr. MORSE. I have suggested it to him in speeches from this floor, and I have suggested it to him in personal conferences, and I have made a good many other suggestions to him. I am going to have something to say, before I conclude, in regard to a conversation I had with the Secretary of Agriculture this afternoon.

Mr. WILEY. I wish to repeat, the difficulty that has been spoken of here so often by my distinguished Republican colleague has been very patent in my own State, where people need meat, and where they have the slaughtering facilities, but have not been able to get the permits.

Only yesterday a newspaper from my State called attention to the fact that a farmer had slaughtered an animal and had given some of the meat away, and that some OPA official had taken it upon himself—now listen to this: Think of living in a country that is called the home of the brave and the land of the free, where such a thing as this could happen—he had taken it upon himself to impose upon this farmer, who had slaughtered his own meat, and had given some of it away to a neighbor, a restric-

tion under which he and his family could not have meat for a certain length of time.

Stop and think of that! I wish to congratulate the Senator from Oregon. As has been said before, we have discussed for weeks now the international situation, and we have come to a general conclusion as to it. We want to do what is necessary to help the poor people abroad, but if we incapacitate America from producing, if we take from our children the vitamins and the food elements necessary, if we take from the workers the things they should have, we will not be in the production line to help ourselves.

I have a letter on my desk from Milwaukee right along the line suggested by one of the other Senators. The letter states that men working in factories say, "Unless we get meat we will have to go out on strike." I do not know whether that was a matter of being emotionally upset or not, but I think the situation so dramatically depicted by the Senator from Oregon is one which merits our earnest, immediate consideration, and I suggest that he make concrete suggestions on the floor of the Senate, and if they are not carried out immediately, that the investigation he has requested be ordered.

Mr. KILGORE. Mr. President—

Mr. MORSE. I thank the Senator from Wisconsin. I should like to proceed now to introduce some evidence into the RECORD, and after I do that I shall be glad to yield again, but for the time being I shall not yield until I put this evidence in the RECORD.

I assure the Senate that I am trying to supply the Secretary of Agriculture with the evidence he needs in order to take the steps he should take so as to rectify this situation. I am satisfied that if he is given the evidence, we can count on the Secretary of Agriculture to take the steps necessary.

I want to read into the RECORD a telegram sent to me by the Independent Retail Meat Dealers Association, H. E. Carlson, secretary:

PORTLAND, OREG., July 20, 1945.
Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.:

Lamb sales in our retail markets are slowing up greatly. Customers are not willing to spend their points on lamb when beef is available. We appreciate your past efforts to correct this situation and trust that you will continue to urge OPA to remove ration points on lamb.

INDEPENDENT RETAIL MEAT
DEALERS' ASSOCIATION,
H. E. CARLSON, Secretary.

As I have said to the Secretary of Agriculture several times, and said to him again over the telephone again today, I am satisfied that because of the local phases of this problem, because we are dealing with a quality and type of meat that must be slaughtered and consumed locally, the only way the problem can be successfully handled is by way of lifting the ration points.

I wish to introduce into the RECORD, Mr. President, a telegram which I received from the president of the Albany Chamber of Commerce, Albany, Oreg., the county seat of Linn County, in the very heart of the lamb-producing area

of the Willamette area. A large percentage of the soft lambs are produced in Linn County. The telegram is as follows:

ALBANY, OREG., July 19, 1945.
Hon. WAYNE MORSE,
Senate Office Building,
Washington, D. C.:

Increasing lamb quotas is a step in the right direction, but if the consumer does not have points with which to buy, we are no better off. The only sensible answer to the whole OPA muddle is to eliminate the OPA at the first opportunity. Pending that action, please press to step up ration points for individuals so they can buy lamb and other foods.

ALBANY CHAMBER OF COMMERCE,
J. W. SAVAGE, President.

Mr. President, one does not have to be told, I am sure, as one listens to that telegram, that the members of the Albany Chamber of Commerce are getting a little hot under the collar about this matter. They cannot be blamed for that. If Senators were out there and saw the situation, as the senior Senator and junior Senator from Oregon have seen it during the past 3 years, they would know that the people of that valley are becoming somewhat irritated and disgusted with the continuation of the maladministration of the Oregon lamb problem by the officials of the Federal Government, who ought to correct it without this constant urging on our part.

Mr. President, I now introduce into the RECORD a telegram which I think is of great importance because of the sender. It is a telegram to which I am sure the Secretary of Agriculture will give great weight. It is a telegram which sets forth what I told the Secretary over the telephone this afternoon in a rather long conversation. It is from D. E. Nebergall, president of the Nebergall Packing Co. of Albany, Oreg. Let me qualify my witness, if I may.

Mr. Nebergall is a man about 70 years of age, one of the most substantial and outstanding men in the State of Oregon, a man of pioneer stock, a man whose integrity cannot be questioned, a man who does not act from selfish motives, but who places the public interest first. He has been in frequent conversation with the two Senators from Oregon. He has helped keep us informed as to this problem, and he has told us over and over again that it cannot be solved unless the Administration follows the three-point plan I have emphasized so frequently on the floor of the Senate: The problem of ration points, the problem of quotas, and the problem of the Government standing ready to purchase the surplus lamb if it does not move in normal trade.

I had a long telephone conversation with him last night and he told me, as I have told the Secretary of Agriculture several times, that the problem has not been solved as yet by any steps that have been taken up to the present time. So in this telegram he said:

What is the OPA going to do about our Oregon lambs? Many of the lambs that were fat 30 days ago—

And listen to this, Mr. President—many of the lambs that were fat 30 days ago are now feeders with no chance of getting them back on the market until fall. The State-inspected slaughterers have had their

quota increased, but the consumer cannot buy lambs at the present high-point value. Consequently the additional quota is not and will not do the job. If the Willamette Valley farmers do not get relief at once the sheep industry will be out of business.

D. E. NEBERGALL.

He is president, as I said, of a well-established packing firm in the Willamette Valley, a man whose testimony I assure Members of the Senate can be absolutely relied upon. I also wish to place in the RECORD a telegram which I received today from Wade Newbegin, chairman, agricultural committee, Portland Chamber of Commerce, as follows:

PORTLAND, OREG., July 19, 1945.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.:

After 2 years of bungling lamb situation in Oregon it would appear OPA should be able to correct for third year in time to prevent great loss to Oregon farmers. Surely Congress will take some action to investigate and curb OPA policy of discouraging production in the guise of price control as only by encouraging flood of production can prices really be controlled.

WADE NEWBEGIN,
Chairman, Agricultural Committee,
Portland Chamber of Commerce.

There again is a man in the State of Oregon—and if Senators inquire they will find that what I now say is the fact—who is a man whose judgment has great influence throughout the length and breadth of that State. He is chairman of the agricultural committee of the Portland Chamber of Commerce. He has been keeping the senior and junior Senators from Oregon informed exactly about this problem, and he has told us over and over again that there is no solution other than the three-point solution which the two Senators from Oregon have been presenting in behalf of the lamb producers of Oregon.

One more telegram, Mr. President, I wish to place in the RECORD because it furnishes more evidence that I am sure will be helpful to the Secretary of Agriculture, because I know that when he receives the evidence he is going to act upon it. I told him about it this afternoon. I know that on the basis of the evidence which the senior Senator and the junior Senator from Oregon have supplied him he has the necessary data and the facts upon which to act now. I wish to place this telegram in the RECORD. It is from Fred M. Brenne of the Eugene, Oreg., Chamber of Commerce. Eugene is the county seat of Lane County. Lane County borders Linn County. Those two counties produce a large percentage of the soft lambs produced in the Willamette Valley. The telegram is as follows:

EUGENE, OREG., Ju'y 20, 1945.

Hon. WAYNE MORSE,
United States Senator,
Senate Office Building,
Washington, D. C.:

Please add our organization's name in support your logical efforts to improve critical lamb situation. Local growers point out necessity of lowered point values and increased quotas to avert serious loss this season. Your common-sense approach to lamb problem shared by farm, business, labor, and other groups in Eugene area. Sincerely,

FRED M. BRENNER,
Manager, Eugene Chamber of Commerce.

Mr. President, I wish to say to the Members of the Senate that if they think it is pleasant for me to stand up here day after day and call the attention of the Senate to this problem, they are mistaken. I have not enjoyed doing it from the standpoint that I do not like to trespass on the precious time of my colleagues, but I would have failed in my public duty as a Senator from the State of Oregon if I did not try to remind the Senate of the great problem of food wastage in this country, as represented by this case. I have continually assured the Secretary of Agriculture of my co-operation, but I have made clear to him, I admit, in very definite and certain language, that I must have from him the support which the senior Senator and the junior Senator from Oregon are entitled to, in solving this problem on the basis of the evidence. He assured me this afternoon again over the telephone that he was investigating the evidence and that he was going to give it his immediate consideration. I expressed to him then my keen and deep appreciation for the cooperation he is extending to me. I only wish we were getting the same type of cooperation from the OPA.

Mr. CORDON rose.

Mr. MORSE. I yield to the senior Senator from Oregon.

Mr. CORDON. Mr. President, I realize that interruptions, when a Senator is discussing a matter of this character, are never welcomed, and I hesitate to interrupt even my colleague at this moment.

Mr. MORSE. I am always glad to yield to my colleague on any matter.

Mr. CORDON. I have been working with my colleague in this matter, as he has stated, for 10, these many weeks, and I am happy to report to him and to the Members of the Senate at this moment that at least some progress has been achieved.

As my colleague has just stated, the Secretary of Agriculture called him today. The Secretary has more recently been discussing the matter with me, and I understand that he has been in telephonic conversation with representatives of the press and of agriculture in our home State of Oregon today. The Secretary has authorized me to state publicly that this afternoon he requested OPA to lift the points from Oregon soft lamb of all classes. He has done so only after complete investigation, independently of the reports which he had received from OPA. He is convinced at this time that the case which we have made is justified. I am deeply appreciative of the Secretary's position, and I compliment him for the courage he has shown in the step which he has taken.

Mr. MORSE. Mr. President, that announcement is most gratifying, and I join with the senior Senator from Oregon in paying my high respects to the Secretary of Agriculture, because I think he has demonstrated what I have said he would demonstrate if the people would give him the facts. If the misinformation which has been given to him by other agencies had not been given to him, I am satisfied that this matter would have been cleared up at a much earlier date.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. MORSE. I shall be glad to yield in a moment.

I am also very happy to say that in my judgment this announcement, if it is to be put into effect, will solve the Oregon lamb problem, and relieve me from the necessity of discussing it on the floor of the Senate again, and will also relieve the Senate from listening to me discuss it. However, that does not mean that I shall not continue to press the senior Senator from New York [Mr. WAGNER], chairman of the Bank and Currency Committee for an early hearing on the resolution which has been submitted, calling for a special Senate OPA committee.

I am glad now to yield to the Senator from New Mexico.

Mr. HATCH. The only reason I rise at this time is a little pardonable pride, in view of what the Senator said about a sprinkling of Democrats. I invite his attention to the fact that the Secretary of Agriculture, to whom he has paid such a high and very justifiable tribute, is also a Democrat.

Mr. MORSE. I assure the Senator from New Mexico that if he is laboring under the delusion that I believe that all Democrats are bad, he is mistaken. I think there are some very fine statesmen among them, and I have so stated publicly many times.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. ROBERTSON. I wish to congratulate the Senator from Oregon for what he has undertaken during the past week, and the support which he has given the Secretary of Agriculture in helping him to take the steps necessary to remove or have removed the points from fresh or green lamb in Oregon.

Possibly I can speak on the lamb question with more authority than most Members of this body. Some weeks ago, with the Senators from Oregon, I attended a meeting before Economic Stabilizer Davis, at which Clinton Anderson was present. This was a week or so before he assumed the office of Secretary of Agriculture.

Two proposals were placed before the Economic Stabilizer in relation to lambs and lamb production, and the distribution of meat. The first was a straightforward proposal to remove the ceiling on lambs. This was immediately taken up and accepted by Mr. Clinton Anderson, and he enlarged somewhat upon it and advised the meeting of his own acceptance of the proposals and his desire to see it carried out. He pointed out to the meeting—and perhaps it is not out of place for me to point out to the Senate—that of the entire meat consumption of the United States, but 5 percent is lamb. Mr. Anderson continued and pointed out that the people who eat lamb are largely in the higher-income brackets, so that a rise in the price of lamb would not affect the cost of living. He favored that proposal.

The second proposal was for a subsidy of \$2 to be paid to the lamb producer. That was the final verdict of the Eco-

conomic Stabilizer, Mr. Davis, as a result of that meeting.

But there was a hitch in that arrangement. It developed that according to the law in existence at that time such a subsidy had to be paid through the RFC and could be paid only to the packer, so the producer of the lamb would get no benefit.

Yesterday the Senate passed a measure—and the House concurred in it this morning—which in effect placed the payment of that subsidy in the hands of the Commodity Credit Corporation.

On my return from Reno, Nev., recently, where I went to attend the funeral of our late dear friend, Senator Scrugham, I stopped off in Wyoming. I found there a tremendous wave of lamb buying by buyers from the East and Middle West, in an effort to obtain those lambs before the knowledge of either the ceiling elimination or the subsidy became general. I telegraphed Mr. Anderson, pointing out to him the condition which existed. I read his reply:

Senator E. V. ROBERTSON,

Cody, Wyo.:

Lamb order being submitted to Economic Stabilizer Will Davis and not final but provides for removal of present 95-cent subsidy and substitution of \$2 subsidy through December and two fifty for first 6 months of 1946, payable to packer, since only available funds are RFC and cannot be paid directly to producer. However, may get special legislative rider making possible direct producer payment.

That is the measure to which I have referred. I think the last sentence is the most interesting, and possibly the most important part of the telegram:

Could not get approval of my idea for direct price increase.

In view of that telegram, among other things, I congratulate the Senators from Oregon on the announcement which the senior Senator from Oregon has just made.

Mr. MORSE. I thank the Senator from Wyoming very much.

Mr. President, I close my remarks by paying my very sincere respects to my colleague the senior Senator from Oregon, because without his cooperation and leadership in this matter, and the excellent work which he has done in every conference in which we have sat together on this problem, I am sure that the solution which has been reached would not have been reached. I am greatly indebted to him. I wish to say to the Senate that I find it a great pleasure to work as a teammate of the senior Senator from Oregon.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. TAFT. I do not wish to have the Senate get the wrong idea. I do not understand that OPA has lifted the points. This is merely a recommendation.

Mr. ROBERTSON. Yes.

Mr. TAFT. I think that ought to be clearly understood.

Mr. MORSE. The Senators from Oregon clearly understand it. We believe that at least that recommendation puts the problem into the lap of the ad-

ministration; and I am satisfied that the solution recommended by the Secretary of Agriculture is so sound that the administration will recognize it and see to it that it is put into effect.

Mr. CHANDLER. Mr. President, will the Senator yield to me before he takes his seat?

Mr. MORSE. I yield.

Mr. CHANDLER. I do not wish the Senator to get the impression that the only lamb crop in the United States is in Oregon, or that only Republicans eat lamb, or that because he has taken an active part in these discussions, we on the Democratic side of the aisle are not just as much interested in the lamb situation as he is.

It may be that some mistakes have been made. I do not want the Senator from Oregon to assume that if the Republicans had been carrying on this program they would not have made some mistakes, too. I presume they would have.

Mr. MORSE. We will take judicial notice of that.

Mr. CHANDLER. But the present Secretary of Agriculture has been in office less than a month. He is a country man, too, and he knows something about this problem. I suggest that before Senators become too critical, they give him a chance, because he has not had a chance.

My next point is that if Senators do not like the OPA and if they wish to get rid of it, they should introduce a bill providing for its abolition. I do not know whether a bill providing for abolition of the OPA has been introduced. The OPA has made some mistakes, but I think it has rendered important service to the people of our country at a very critical time.

Mr. MORSE. Mr. President, the Senator's statement with respect to the Secretary of Agriculture is an exceedingly fair one, and I join him in it.

As to the second comment made by the junior Senator from Kentucky, I should like to make perfectly clear to him, if I have not made it clear before—although I have said it many times—that I am a staunch supporter of the Stabilization Act, and I think it very important that we maintain price control. I have said that again and again. But in order to maintain the confidence of the people of the United States in the OPA, we must eliminate the abuses in its administration. I have cried out only against the abuses, not against the necessity for price control.

Mr. CHANDLER. Mr. President, I should like to point out that many of the criticisms have been made in such a way by certain of the Republican Senators that some persons might almost assume that the Democrats are not concerned with this matter. Of course, I do not wish that misapprehension to exist. I want the people of the country, including the people of Kentucky, to know that I, too, am vitally interested in this matter.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. BARKLEY. Mr. President, will the Senator yield to me?

Mr. MORSE. I will yield to the Senator from Kentucky in a moment, although I desire to take my seat, if I may.

Mr. BARKLEY. I was wondering if we could not get a vote on the pending motion.

Mr. MORSE. I should like to do so. First, I yield to the Senator from Michigan.

Mr. FERGUSON. Mr. President, on the question of ration points for restaurants, on which I have spoken in the Senate, the OPA called me from the floor, after I made my remarks, and said that I might expect some report by the middle of next week.

MEMBERSHIP OF THE UNITED STATES IN THE FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS

The Senate resumed the consideration of the motion by Mr. BARKLEY to proceed to the consideration of House Joint Resolution 145, providing for membership of the United States in the Food and Agriculture Organization of the United Nations.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Kentucky.

Mr. REVERCOMB. I ask for the yeas and nays.

The yeas and nays were ordered; the legislative clerk proceeded to call the roll, and Mr. AIKEN and Mr. AUSTIN answered in the affirmative when their names were called.

Mr. REVERCOMB. Mr. President—

The PRESIDENT pro tempore. For what purpose does the Senator address the Chair?

Mr. REVERCOMB. I desire to propound a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. REVERCOMB. The vote now is on—

Mr. CHANDLER. Mr. President, a point of order.

The PRESIDENT pro tempore. The Senator from West Virginia is propounding a parliamentary inquiry, and he has a right to do so.

Mr. CHANDLER. I make the point of order that a parliamentary inquiry cannot be made after the roll call has commenced.

The PRESIDENT pro tempore. A parliamentary inquiry can be made at any time.

Mr. BARKLEY. Debate cannot be indulged in, but a parliamentary inquiry can be made at any time.

The PRESIDENT pro tempore. That is correct.

The Senator from West Virginia wishes to propound a parliamentary inquiry, and he will please state it.

Mr. REVERCOMB. The vote now is on the motion of the Senator from Kentucky to take up this measure; is that correct?

The PRESIDENT pro tempore. That is true.

The legislative clerk resumed the calling of the roll.

Mr. BUTLER (when his name was called). I have a general pair with the

senior Senator from Alabama [Mr. BANKHEAD]. I transfer that pair to the senior Senator from Idaho [Mr. THOMAS], and I will vote. I vote "nay."

Mr. WAGNER (when his name was called). I have a general pair with the Senator from Kansas [Mr. REED]. I transfer that pair to the Senator from Florida [Mr. PEPPER], who if present would vote "yea." Having transferred my pair, I am at liberty to vote, and I vote "yea."

The roll call was concluded.

Mr. HILL. Mr. President, I announce that the senior Senator from Virginia [Mr. GLASS] is detained by illness.

The Senator from Florida [Mr. PEPPER] is detained because of the death of his father.

The Senator from Florida [Mr. ANDREWS], the Senator from North Carolina [Mr. BAILEY], the Senator from Alabama [Mr. BANKHEAD], the Senator from Texas [Mr. CONNALLY], the senior Senator from Rhode Island [Mr. GERRY], the junior Senator from Rhode Island [Mr. GREEN], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Louisiana [Mr. OVERTON], and the Senator from Utah [Mr. THOMAS] are detained on public business.

The Senator from California [Mr. DOWNEY], the Senator from Arizona [Mr. HAYDEN], the Senator from Montana [Mr. MURRAY], the Senator from Pennsylvania [Mr. MYERS], the Senator from Georgia [Mr. RUSSELL], the Senator from Maryland [Mr. TYDINGS], and the Senator from Montana [Mr. WHEELER] are necessarily absent.

The Senator from Utah [Mr. THOMAS] has a general pair with the Senator from New Hampshire [Mr. BRIDGES].

Mr. WHERRY. The Senator from New Hampshire [Mr. BRIDGES] has a general pair with the Senator from Utah [Mr. THOMAS].

The Senator from Kansas [Mr. REED] has a general pair with the Senator from New York [Mr. WAGNER]. The transfer of that pair has heretofore been announced.

The Senator from Iowa [Mr. WILSON] is absent on official business.

The Senator from Idaho [Mr. THOMAS] is absent on account of illness.

The Senator from Maine [Mr. BREWSTER], the Senator from Delaware [Mr. BUCK], and the Senator from New Hampshire [Mr. TOBEY] are detained on public business.

The result was announced—yeas 56, nays 12, as follows:

YEAS—56

Aiken	Hart	Mitchell
Austin	Hatch	Morse
Ball	Hawkes	Murdoch
Barkley	Hickenlooper	O'Daniel
Bilbo	Hill	O'Mahoney
Briggs	Hoey	Radeliffe
Burton	Johnson, Colo.	Saltontail
Byrd	Johnston, S. C.	Smith
Capper	Kilgore	Stewart
Chandler	La Follette	Taylor
Chavez	Langer	Thomas, Okla.
Cordon	Lucas	Tunnell
Donnell	McCarran	Vandenberg
Eastland	McClellan	Wagner
Ellender	McFarland	Walsh
Ferguson	McKellar	White
Fulbright	Magnuson	Wiley
George	Maybank	Young
Gurney	Mead	

NAYS—12

Brooks	Millikin	Shipstead
Bushfield	Moore	Taft
Butler	Revercomb	Wherry
Capehart	Robertson	Willis

NOT VOTING—27

Andrews	Glass	Pepper
Bailey	Green	Reed
Bankhead	Guffey	Russell
Brewster	Hayden	Thomas, Idaho
Bridges	Johnson, Calif.	Thomas, Utah
Buck	McMahon	Tobey
Connally	Murray	Tydings
Downey	Myers	Wheeler
Gerry	Overtown	Wilson

So Mr. BARKLEY's motion was agreed to; and the Senate proceeded to the consideration of the joint resolution (H. J. Res. 145) providing for membership of the United States in the Food and Agricultural Organization of the United Nations.

The PRESIDENT pro tempore. The joint resolution is before the Senate and is open to amendment.

Mr. BARKLEY. Mr. President, I had hoped when we convened today that we might be able to conclude all necessary legislation so that the Senate could recess over until Monday next. It is now obvious that we shall have to hold a session of the Senate tomorrow. For that reason I am not going to ask Members of the Senate to remain further tonight to consider this measure. I have conferred with the Senator from West Virginia and the arrangement which I shall propose is agreeable to him.

I ask unanimous consent that at not later than 2 o'clock tomorrow afternoon the Senate proceed to vote on the joint resolution and all amendments which may be pending thereto, if any.

The PRESIDENT pro tempore. If there is no objection, the provision of the rule requiring a quorum call upon the submission of a request for unanimous consent to vote on the final passage of a bill, will be waived.

Mr. BARKLEY. Of course, inasmuch as we just had a quorum call of the Senate, it would not be necessary, but it does include the waiver of the call.

The PRESIDENT pro tempore. Is there objection to the unanimous-consent request of the Senator from Kentucky? The Chair hears none, and it is so ordered.

Mr. GURNEY. Inasmuch as we have heard the contention made that we have not had sufficient notice of a consideration of the joint resolution, can the Senator state if there are any other bills which will be taken up tomorrow?

Mr. BARKLEY. There is a bill which the Senator from Georgia [Mr. GEORGE] wishes to take up now, to which objection was made yesterday by the Senator from Utah. He and the Senator from New Mexico have reached an agreement by which there will be no further objection to the measure which the Senator from Georgia wishes to take up.

Tomorrow, following the disposition of the matter with reference to which we have just reached an agreement, it is expected to take up in executive session the two treaties which have been on the calendar for some time, and which were earlier reported to the Senate. It is the desire to get them out of the way and

clear the desk for consideration of the charter next Monday.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. LA FOLLETTE. I hope it will also be possible tomorrow to take up Calendar No. 183, House bill 2348, an act to provide for the coverage of certain drugs under the Federal narcotic laws. I have been responsible for holding the bill on the calendar in order to present an amendment which has to do with another subject matter. The Finance Committee has authorized the presentation of an amendment to the measure. I do not think there will be any objection to it. I hope an opportunity will be afforded to have the bill considered tomorrow.

Mr. BARKLEY. I think an opportunity will be afforded. There may be some routine matters which I cannot now foresee, which we will desire to dispose of tomorrow.

Mr. GEORGE. I do not believe that the bill to which the Senator from Wisconsin refers will cause any protracted debate.

Mr. BARKLEY. No; I think not.

Mr. KILGORE. Mr. President, I may say to the distinguished majority leader that I expect tomorrow to ask for action on Calendar No. 501, Senate Concurrent Resolution 21, consideration of which was passed over today on the objection of the Senator from South Dakota [Mr. GURNEY].

Mr. BARKLEY. I omitted to refer to it. The Senator from West Virginia has advised me that he will move tomorrow that the Senate proceed to the consideration of the concurrent resolution.

Mr. GURNEY. That is what I had in mind also. Of course, the Senator has the right to call it up.

Mr. BILBO. It is understood that no Senator will be precluded from calling up any bill which is on the calendar.

Mr. GURNEY. I understand that.

Mr. BARKLEY. No; no Senator will be precluded from doing that.

Mr. President, I hope that tomorrow Senators will be prepared to remain in the Chamber so that it will be unnecessary to consume time with quorum calls. We expect to receive from the House—I do not know why it has not already come over, because the House has acted on it—reports on the Bretton Woods measure, the tax bill, and the bill in which the Senator from Wyoming [Mr. O'MAHONEY] was interested, which the Senate passed last night.

It will be my purpose tomorrow to call up the concurrent resolution which has been received from the House, providing that when the House adjourns tomorrow it will stand in adjournment until the 8th day of October 1945, and that when the Senate adjourns, at such time as it may be able to adjourn following the disposition of the charter, it stand in adjournment also until the 8th day of October. So that it is important that Senators be here tomorrow and that we dispose of everything which should be disposed of before we recess tomorrow until Monday, at which time it is pro-

posed that the Senate shall take up the charter.

DEDUCTION IN COMPUTING TAXES OF EXPENSES OF INTANGIBLE DRILLING AND DEVELOPMENT COSTS

Mr. GEORGE. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of House Concurrent Resolution 50.

The PRESIDENT pro tempore. The clerk will state the concurrent resolution for the information of the Senate.

The legislative clerk read the concurrent resolution (H. Con. Res. 50), as follows:

Resolved, etc., That in the public interest the Congress hereby declares that by the re-enactment, in the various revenue acts beginning with the Revenue Act of 1918, of the provisions of section 23 of the Internal Revenue Code and of the corresponding sections of prior revenue acts allowing a deduction for ordinary and necessary business expenses, and by the enactment of the provisions of section 711 (b) (1) of the Internal Revenue Code relating to the deduction for intangible drilling and development costs in the case of oil and gas wells, the Congress has recognized and approved the provisions of section 29.23 (m)-16 of Treasury Regulations 111 and the corresponding provisions of prior Treasury regulations granting the option to deduct as expenses such intangible drilling and development costs.

Mr. GEORGE. Mr. President, I suggest that this is the concurrent resolution which was discussed last evening by the distinguished Senator from Utah [Mr. MURDOCK], when he offered the substance of the regulations as an amendment to the then pending tax bill. This is merely a concurrent resolution expressing the sense of the Congress, but is a matter of importance, because smaller oil producers throughout the country in all the oil-producing areas are somewhat disturbed by a court decision, and they think the expression of the sense of the Congress as to the intent of Congress in the passage of certain laws would tend to settle the matter somewhat.

I understand that the Senator from Utah, in conference with other Senators from the oil-producing areas, has agreed upon a substitute which is satisfactory all the way around. I have no objection to the substitute, if I am correctly advised about it.

Mr. MURDOCK. The Senator is correctly advised.

Mr. GEORGE. The Senator will present the substitute.

The PRESIDENT pro tempore. The clerk will state the amendment in the nature of a substitute for the information of the Senate.

The LEGISLATIVE CLERK. It is proposed to strike out all after the resolving clause and to insert the following:

That whereas the provisions of section 29.23 (m)-16 of Treasury Regulations 111 and the corresponding provisions of prior Treasury regulations grant the option of deducting as expenses intangible drilling and development costs; and whereas the taxpayers of the country and the Bureau of Internal Revenue have relied on the validity of said section of the regulations; and whereas as a result of certain decisions rendered by the United States Circuit Court of Appeals for the Fifth

Circuit, the present status of said section of the regulations and its application has been rendered uncertain, it is therefore the sense of Congress that the substance of said section of the regulations does correctly express the will and intent of the Congress and should be enacted as a part of our tax laws at the earliest possible date.

Amend the title so as to read: "Concurrent resolution declaring the sense of Congress that the substance of section 29.23 (m)-16 of Treasury Regulations 111 should be enacted as a part of the tax law."

Mr. WHITE. Mr. President, I shall not object to the disposition of the matter in the manner now suggested. As I understood the concurrent resolution as it was read from the desk, and the substitute, I do not like them any better than I did the original concurrent resolution which the Senator from Utah discussed. I think they have the infirmities he pointed out, and that this would be an unwise precedent for us to establish.

Mr. LA FOLLETTE. Mr. President, I wish to concur in the statement made by the able Senator from Maine. I think it would establish a very questionable precedent for Congress, several years after an act had been passed, to attempt to determine what the intent of our predecessors was when they passed certain legislation.

I realize that the Senator from Utah by his substitute has tried to correct in some measure the original concurrent resolution and to save it from that infirmity. Nevertheless, the substitute in and of itself is an expression of what Congress hopes and thinks at the moment it might enact at some later date. I think the grave error is in attempting to meet decisions of the courts by an expression of legislative opinion which has no force of law, and in this particular instance, as I understand the situation, the matter was decided by the Fifth Circuit Court of Appeals, and it is still possible that it may go to the Supreme Court.

If in the case of decisions which may be made by either the district courts or the circuit courts of appeal we proceed to indicate that a court either has or has not correctly interpreted the intent of the Congress, I think we will be engaging in a very bad practice, and that it may be one which will return to plague us.

Mr. President, I raised this issue in the committee, and I was overwhelmed by the members of the committee, who seemed to feel that for some reason or other this pious legislative wish, if properly enacted through a concurrent resolution, might have some bearing on the situation existing, and I am not disposed to oppose it. I want the RECORD to show that I think this is a very bad practice. I think it has absolutely no legal effect whatsoever, and I would have no respect for any court which would even take judicial notice of the fact that we had taken this ridiculous action.

Mr. TAFT. Mr. President, I was not able to attend the meeting of the Finance Committee when this matter was discussed. I agree with the Senator from Wisconsin that it seems to be very bad practice. I did not greatly object to the original resolution because I remember

that when it came up in the Finance Committee when the last tax bill was under consideration the intention was as stated in the resolution. It does state what the Finance Committee at least intended. But when we undertake to say that we think this should be enacted into law at the earliest possible date and tell ourselves what we ought to do next year, I think such a resolution goes beyond any reason. I think it is far more unreasonable than the original resolution. I do not propose to vote for it because I do not know what I might think about the subject next year when it comes up again in the Finance Committee. I do not propose to bind myself now by expressing an opinion of what I will do next year when the tax bill comes up. So I am opposed to the resolution as amended.

Mr. FERGUSON. Mr. President, I had something to say on this subject last evening. I am of the same opinion now as I was then that this had no place in the law. It is not law. We have this situation: We have a court rendering a decision interpreting an act of this body and of the House, which it has a legal right to do. The court has spoken, and that is the law until it is reversed or in some way modified by this body through proper procedure. What is now proposed to be done, Mr. President, is not a proper procedure. It attempts to tell the Supreme Court, if this matter is taken to the Supreme Court on certiorari or appeal, that we want the court to decide this case in another way than that in which the circuit court of appeals has decided it.

This identical question was before the Committee on the Judiciary when we considered the insurance bill. An attempt then was made to tell the Supreme Court what we thought was meant by the national legislature when it enacted the antitrust law. The Committee on the Judiciary did not adopt the proposal, and I am glad it did not adopt it. We now find ourselves in the position, while there is a case pending which can be appealed, of telling the court what we intend to do, and not only doing that, Mr. President, but telling the court that we want to make it the law some time in the future.

Mr. GEORGE. Mr. President—

Mr. HATCH. Mr. President, I want to correct the Senator myself.

Mr. GEORGE. If the Senator will permit me, I should like to say that if this case goes up on appeal to the Supreme Court of the United States, it would not, in my opinion, involve this question, and could not involve it, because the court which made the decision in the first instance has subsequently made another decision; and the particular point as to whether or not this regulation was contrary to law or against the statute probably could not be made an issue.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. FERGUSON. Yes.

Mr. WHITE. Is not the effect of this action, if we take it, to encourage the administrative officers of the Treasury Department to proceed without any regard to court decisions which may be rendered, and must not the further

effect of it be to cast some shadow of doubt and some disrepute upon decisions of our courts?

Mr. GEORGE. Will the Senator permit me again?

Mr. FERGUSON. I yield.

Mr. GEORGE. Let me assure the Senator from Maine that the proposal has no such purpose, and it could have no such effect. This is the situation: There was a case decided by one of the nine circuit courts of appeals. There are eight others.

It is not an attempt to persuade the court or try to control the court in this particular case on this question. It is an attempt rather in this war period to say to the oil interests of the country, "It is the sense of Congress that this regulation of the Bureau of Internal Revenue which has been in force under one statute or another for 25 years, is in accordance with the intent of Congress." It is for the purpose of settling an agitated condition which has arisen, which ought to be helped, if we can do it in this way.

Mr. FERGUSON. Mr. President, we have a court decision. It was stated last evening by the Senator from Utah [Mr. MURDOCK] that the court had interpreted the statute even though that was not necessary. If this case is appealed the Supreme Court would have the same right to interpret that statute. But that is not the only thing. As the Senator from Maine has suggested, What is the purpose of this concurrent resolution if it is not to have an administrative agency rule in accordance with the present interpretation by this body?

Mr. President, the court has spoken. I do not know how many other cases may be pending. There may be one started tomorrow. This would be an attempt, then, to try to influence, in effect, the decision of that court, because this body by its action today would attempt to interpret the act. If we believe that this is the correct rule, that the companies should have the right of an option as to whether to treat this item as cost or as capital, then, Mr. President, we should pass a law dealing with the subject.

These are serious times and both bodies should be in session to perform their functions and to pass such laws as are necessary, instead of this body going outside its official capacity and attempting to interpret the law, when it has the right to pass laws and only the right to pass laws.

Mr. President, I am opposed to the concurrent resolution and I hope the Senate will not adopt it.

Mr. REVERCOMB. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield to the Senator from West Virginia.

Mr. HATCH. Mr. President—

The PRESIDENT pro tempore. The Chair recognizes the Senator from New Mexico.

Mr. HATCH. Mr. President, I raise the point that the Senator from Michigan cannot hold the floor and yield to some other Senator. I have stood on the floor seeking recognition for some time.

The PRESIDING OFFICER. The Chair understood that the Senator from Michigan had concluded his remarks and

the Chair recognized the Senator from New Mexico.

Mr. REVERCOMB. Mr. President, will the Senator yield?

Mr. HATCH. I will be glad to yield to the Senator from West Virginia. I simply do not like the idea of Senators farming out time.

Mr. REVERCOMB. I thank the Senator from New Mexico. I assure him I was not trying to keep him from the floor.

I heard the very interesting remarks made a moment ago that adoption of this resolution may be considered to be an attempt to influence the courts. I do not know what interpretation may be placed on that statement made by the Senator from Michigan, but if there is one body in the world that not only influences but guides the courts upon the principles of law that are laid before them, it is this body.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. REVERCOMB. The Senator has the floor, and I defer to him.

Mr. HATCH. I wanted to make a few remarks in defense of the legislative body of the Government.

Mr. REVERCOMB. May I proceed for a moment, and then I shall be glad to hear the Senator?

Mr. HATCH. Yes.

Mr. REVERCOMB. Most of this discussion has pertained to the form and the method of proceeding here, whether by concurrent resolution or by law enacted, but we seem to have lost sight of the substance of the question, which is this: For many years, under the internal revenue laws, there has been a rule that the oil companies may deduct certain items—may charge them to expenses or charge them to capital gain. That rule has been in force for several years. It is a very just and fair rule. Suddenly a court, through dictum, as I understand, the issue not being involved, made a statement upsetting that rule. Rather than quibble over the form or method of arriving at the end, let us do what is right and keep in force in this country a fair and just rule under the law which we believe to be right. Let us look rather to the substance than the shadow. Let us follow substance rather than form, and do whatever is right, whatever form we use.

Mr. HATCH. Mr. President—

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. HATCH. I yield.

Mr. FERGUSON. Mr. President, it is now said that the court has by dictum decided the rule which should be followed as the interpretation of this body. This body is not an interpreter of the laws enacted by Congress. This body's duty and province is, in conjunction with the House, to enact laws, and to expect the executive branch to carry them out, and expect that the courts, when the laws are properly taken before them, will interpret those laws. That is exactly what the court has done.

Are we going to tell these agencies on all occasions—if we do it in this instance, why not on all occasions?—that we want to tell them how to interpret our laws? Where is the place in our

Government for a judicial system if we attempt to do so?

Mr. President, I opposed this same proposal when it came before the Judiciary Committee in connection with the insurance bill. I think it should be opposed here.

As I previously stated, we have no right to interpret the law. The law is to be enacted by us. The executive branch and the judicial branch then have their functions. Again, let me say that I hope the Senate will not indulge in this form of legislative interpretation.

Mr. HATCH. Mr. President, I should like to make a few general observations. Of course, the legislative branch of the Government does enact the laws in the first instance. The executive is to enforce, and the judiciary is to interpret. But throughout hundreds of years laws have grown up by various methods, by common interpretation. What ordinary people determine to be a cowpath becomes a trail, and the trail finally becomes a road, and becomes a vested right.

Furthermore, there is a well-known rule of law which some Senators, I am afraid, have forgotten, that legislative interpretation is important. The courts want to know what the legislative body had in mind. If one reads the cases, he will find a very well defined and positive rule that the legislative interpretation is an important consideration in the courts; and I hope it will never become unimportant. I hope that the legislative interpretation may always be given effect, both by the executive and the judicial branches of Government. That is all this proposal does, Mr. President.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. HATCH. I yield.

Mr. FERGUSON. The distinguished Senator from New Mexico is correct in the proposition that courts are anxious to know what the legislative branch means when it enacts a law, but they look only to what the legislative body meant when it enacted the law.

Mr. HATCH. The Senator is getting into deep water. I think he will not be able to sustain his argument.

Mr. FERGUSON. The Senator will be able to swim in the water he is now in.

Mr. President, the courts look to what committees have said. They look to what the legislative body argued on the matter; but they are not going to permit the legislative body, some years later, after there has been an interpretation by a circuit court of appeals—not one of the district courts but a circuit court of appeals—to interpret the law.

Again I say that this body has no right, at this late date, after the decision, to pass this kind of a measure. It is not an act. It is a concurrent resolution. But, Mr. President, even though this is essential, even though it is desirable, and I would vote for it if it were here in the regular way, I feel that this is not the way to do it.

Mr. HATCH. Mr. President, I wish to make a suggestion. I offer an amendment to the amendment in the nature of a substitute offered by the Senator from Utah [Mr. MURDOCK], in order to meet one of the objections which has

been made. I hope the Senator from Utah will agree to it.

I suggest that the words "should be enacted as a part of our tax laws at the earliest possible date" be stricken from the substitute. Does the Senator from Utah agree with me? We have the same idea.

Mr. MURDOCK. Mr. President, I stated my position last night with respect to this type of procedure. I think it is ridiculous and absurd. I think, as I stated last night, that if the Senate tries to do by a concurrent resolution what is attempted in this instance, we shall regret it for years to come, and it will keep coming back to plague us. The only reason why I agreed not to enter an objection to the unanimous-consent request for consideration of the concurrent resolution in its present form was the anxiety of some Senators who thought that something should be done. I am still of the opinion that if Congress wants to act on this matter it should enact the regulation into law, which I attempted to have done last night by amendment.

I now withdraw my amendment. I am willing to let the Senate vote on the original concurrent resolution, which in my opinion never should have been resorted to in the attempt to accomplish what is now being attempted.

The PRESIDENT pro tempore. The Senator has the right to withdraw his amendment.

The question is on agreeing to the original concurrent resolution.

Mr. FERGUSON. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. FERGUSON. Is unanimous consent necessary to vote on the concurrent resolution?

The PRESIDENT pro tempore. It has been taken up, and the question is now before the Senate.

Mr. WHITE. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. WHITE. I understood that the Senator from Georgia [Mr. GEORGE] asked unanimous consent for its consideration, but I did not hear that request put.

The PRESIDENT pro tempore. As the Chair recalls, the clerk was directed to state the resolution for the information of the Senate. No objection was heard, and it was declared in order.

Mr. WHITE. I bow to the decision of the Chair, but I did not so understand it.

The PRESIDENT pro tempore. That is the recollection of the Chair.

Mr. GEORGE. Mr. President, I think that is undoubtedly true. I asked unanimous consent that the unfinished business be temporarily laid aside, and that the concurrent resolution be taken up, and there was no objection. Then I said I would be willing to accept the substitute. I think the substitute and the original are directed to the same end.

There is a grave misapprehension on the part of very able and learned Senators who have spoken on this issue.

There is no need to amend the law. The regulation of the Treasury is in accordance with existing law. Why cannot Congress make that declaration, if it has the nerve to do so?

Mr. MURDOCK. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. MURDOCK. If I can read the English language—and I placed both decisions in the Record last night—the circuit court of appeals holds that the regulation is not law, but is violative of the law.

Mr. GEORGE. I understand that, but the circuit court of appeals decision is not binding. It is only one of a number of circuit courts. There has been no adjudication of the question. I think it is perfectly tenable to say that the law of the land is in accordance with the rule of the interpreting agent, the administrative agent. I think it is perfectly sound to say that when one rule has been adopted and followed for 25 years, and the legislative acts have repeatedly, and by implication—sometimes almost expressly—recognized that rule of interpretation, it has a standing as a part of the law of the land.

But that is not the question here. The question here is whether the Congress has a right to express its opinion or to express the sense of its intent and purpose in enacting a particular law.

Mr. BARKLEY. Mr. President, will the Senator yield at this point?

Mr. GEORGE. I yield.

Mr. BARKLEY. I do not recall very clearly what happened in the Finance Committee regarding this matter, when the law which is involved and upon which the regulation of the Treasury was issued was under consideration. But I have a vague recollection—which I hope the Senator from Georgia will correct if I am wrong—that we did have the matter under consideration in the committee, and that the Treasury Department said it was not necessary to put it in the law, but that it could attend to it by way of regulation; and my recollection is that it was pursuant to the advice of the Treasury Department that it could do this thing by way of regulation, instead of having it included in the law, that the Congress probably did not put in the law what the regulation contemplates.

I ask the Senator whether I am correct about that.

Mr. GEORGE. The Senator is correct in a measure, but I will state to him exactly what happened. The Treasury insisted that the law which gives a depletion allowance should be changed. On that question there was an honest division of opinion in the committee. Certain Senators thought the depletion allowance should be withdrawn from gas-well and oil-well developments.

The principal argument made by the Treasury was that a regulation which for 25 years had been adhered to gave to the oil companies the extraordinary right of charging their drilling costs as expenses. The position taken by those of us on the committee was that if that were true, we would not change either the rule of depletion allowance or the right to charge drilling costs to expenses, at the option of the oil producer.

Subsequently this decision was made. I know how decisions are sometimes made. I know that someone suggested to the court that something should be done about this regulation which gives to the producers of oil and gas the option to charge the drilling costs as an expense item or to pass them into the capital structure of the property.

At any rate, the court did at first look beyond the record in that case, so to speak, and beyond the issue which had been properly raised; and the court said that this regulation of the Treasury was contrary to the statute, that the statute did not authorize it.

Mr. BARKLEY. Mr. President, I thank the Senator for his more exact statement of what happened. I do not like this way of legislating or getting at the matter.

Mr. GEORGE. Neither do I; but I do not think there is any question that the Congress has the right to say what its intention was in the passage of a law. The adoption of such a resolution does not have the effect of law; I grant that; and I grant that the other way is the better way. But the Congress of the United States, which is a sovereign body—by the way, just as sovereign as the Executive and just as sovereign as the judiciary—has the power of a sovereign. I think there is no doubt that it can say what its intent was.

I wish to remind the Senator from Michigan that this is not something which happened in a Congress 25 years ago or even longer ago than that. Right through the last tax act we have dealt with the same problem. In the enactment of the excess-profits tax law, which is now on the statute books, we recognized the option of the producer either to charge his so-called intangible drilling costs as an expense item or to pass them into his capital structure. The Congress has dealt with this matter from time to time; and in the present law, which many of the Senators now present actually assisted in passing, the rule was recognized.

I say in all good faith that the Treasury itself predicated its chief argument for repeal of the depletion allowance provisions of the law on the fact that the oil producers already have what the Treasury called this extraordinary and unfair right.

On that issue, many of us agree with the Treasury. Others do not. The majority do not, and there was no disturbance of this right which they had, and no disturbance of the depletion allowance provisions.

Mr. FERGUSON. Mr. President, I have great respect for the able senior Senator from Georgia; but in this particular case I am unable to follow his reasoning.

I agree with the Senator from Utah that the substitute is equally as bad as the original. If the Senator from Georgia is correct in his position that the law today is just what this body now wishes to interpret it as being, then, as the Senator from Utah has said, I see no reason whatever for having this body attempt to interpret it. If the court had said that the opposite interpretation was the right one, then the only way we

could change it would be by means of a new law.

I have discovered no argument to prove to my satisfaction or, it seems to me, to the satisfaction of this body that it is necessary that we adopt this measure today. Why cannot it be adopted when the Senate reconvenes in October? From what I have heard, it should be adopted, but it should be adopted in the regular way.

Mr. MURDOCK. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. MURDOCK. We also find that the Bureau of Internal Revenue has stated very emphatically that notwithstanding the decision of the circuit court of appeals, it intends to administer the regulation and to apply it just as it has in the past. So why is there any necessity for action by the Congress at this time? Especially, why is there any reason for action by means of a concurrent resolution?

Mr. FERGUSON. Mr. President, that being true, I see no reason whatever for adoption of this concurrent resolution.

The PRESIDENT pro tempore. The question is on agreeing to the concurrent resolution.

Mr. DONNELL. Mr. President, I do not like to take the time of the Senate at this late hour, but I think one statement made on the floor of the Senate demands attention, namely, that this case is one in which we are simply looking at the shadow and are overlooking the substance.

To my mind the Senator from Michigan has put his finger upon an exceedingly important point of substance, not merely a shadow. If the procedure here sought to be adopted were adopted by the Senate, it would mean that this legislative body, which is only a part of the Congress, could take action 27 years after the enactment of a law, and could do so at a time when it has almost a completely different personnel, with perhaps only one or two exceptions—I judge that only one or two of the present Members of this body were Members of the Senate at that time—and could undertake to determine here and now what was the intent a quarter of a century ago.

To my mind this is a matter of highest substance. We may say as often as we wish that we are not establishing a precedent, but the fact is that we are establishing one. To my mind, Mr. President, it is a mistake for the Senate now to undertake to go back many years and say what was the intent of the Congress at some previous time. Congress spoke its intent. In my opinion, the Senator from Michigan was correct in his statement that the interpretation of the meaning of the acts of Congress is a matter for the courts, and that for the Congress to say what was meant 25 years ago might result in persons who had acted on the rights which they conceived they had under the laws which the Congress passed finding that they had acted in the wrong. As a matter of fact, Congress speaks through its statutes. As the Senator from Michigan has said, the interpretation of an act of Congress does not rest with the Congress. The statement which was made by the distin-

guished Senator from New Mexico to the effect that the courts will inquire into the intent of Congress may be true as an abstract statement. Nevertheless, it refers not at all to the situation which we are discussing, but to the fact that the court will examine the debates which were had during the consideration of the statute. Certainly, no Congress should pass upon a statute which was enacted by another Congress 20 or 25 years ago.

So, Mr. President, from the standpoint of sound public policy, I hope that this great body will not put itself in a position of being absurd, and undertake to state what was the intention of a Congress which enacted a law years ago.

Mr. President, I hope the concurrent resolution will not be agreed to.

The PRESIDENT pro tempore. The question is on agreeing to the resolution. [Putting the question.]

The Chair is in doubt.

Mr. HATCH. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll. During the call of the roll the following occurred:

Mr. BARKLEY. Mr. President, may I propound a parliamentary inquiry?

The PRESIDENT pro tempore. The Senator will state it.

Mr. BARKLEY. Would it be possible to ask unanimous consent that the roll call on this matter be had immediately when we convene tomorrow, without any further debate?

Mr. HATCH. Mr. President—

The PRESIDENT pro tempore. The result has not been announced. The Parliamentarian informs the Chair that it would be in order to ask unanimous consent.

Mr. BARKLEY. In order to avoid the necessity of trying to bring other Senators in at this time, I propose to ask unanimous consent that the roll call on the concurrent resolution be had immediately on the convening of the Senate tomorrow.

The PRESIDENT pro tempore. Is there objection?

Mr. WHITE. Mr. President, reserving the right to object, have we not had the roll call, and is it not in order now that the result be announced?

The PRESIDENT pro tempore. The result has not been announced.

Mr. WHITE. I did not hear the Chair's statement.

The PRESIDENT pro tempore. The Parliamentarian informs the Chair that such a request as that of the Senator from Kentucky is in order until the result is announced.

Mr. WHITE. Mr. President, if it is a unanimous consent request, I feel I must object.

The PRESIDENT pro tempore. The Senator from Maine objects.

The vote was recapitulated by the legislative clerk.

The PRESIDENT pro tempore. On this vote—

Mr. WHITE. Mr. President, if I may do so, I withdraw my objection to the unanimous-consent request made by the Senator from Kentucky.

The PRESIDENT pro tempore. Is there objection to the request of the

Senator from Kentucky? The Chair hears none, and it is so ordered.

Mr. BARKLEY. A parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. BARKLEY. Under the unanimous consent agreed to, the Senate will proceed to vote immediately on the concurrent resolution when we convene tomorrow?

The PRESIDENT pro tempore. If there is a recess.

Mr. WHITE. As I understand, only those Senators who have not responded thus far upon the call will be permitted to vote.

The PRESIDENT pro tempore. There will be another roll call on the same question tomorrow, under the unanimous-consent request.

Mr. WHITE. This roll call, so far as it has proceeded, is then vacated?

The PRESIDENT pro tempore. It is vacated by unanimous consent.

Mr. DONNELL. A parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. DONNELL. Will any debate be permitted tomorrow on this question?

The PRESIDENT pro tempore. Under the unanimous consent request, the question would be voted on immediately after the reassembling of the Senate.

Mr. FERGUSON. A parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. FERGUSON. Will a quorum call be in order?

The PRESIDENT pro tempore. Yes; a quorum call is always in order before a vote.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

RECESS

Mr. BARKLEY. I move that the Senate take a recess until 11 o'clock a. m., tomorrow.

The motion was agreed to; and (at 6 o'clock and 58 minutes p. m.) the Senate took a recess until tomorrow, Saturday, July 21, 1945, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate, July 20 (legislative day of July 9), 1945.

DIPLOMATIC AND FOREIGN SERVICE

George Gregg Fuller, of California, now a foreign-service officer of class 4 and a secretary in the diplomatic service, to be also a consul general of the United States of America.

APPOINTMENTS IN THE SELECTIVE SERVICE SYSTEM

The following-named persons for appointment to the positions indicated:

Paul G. Armstrong to be State director, Illinois, with salary at the rate of \$8,225 per annum.

Louis A. Boening to be assistant State director, Illinois, with salary at the rate of \$6,230 per annum.

Frank D. Rash to be State director, Kentucky, with salary at the rate of \$6,230 per annum.

John Van B. Metts to be State director, North Carolina, with salary at the rate of \$7,175 per annum.

Holmes B. Springs to be State director, South Carolina, with salary at the rate of \$6,230 per annum.

Carleton C. Pierce to be State director, West Virginia, with salary at the rate of \$5,600 per annum.

John L. McCormick to be State director, Alaska, with salary at the rate of \$5,180 per annum.

Milton E. Ballangee to be State director, Hawaii, with salary at the rate of \$5,915 per annum.

Angus J. Gallagher to be administrative officer, national headquarters, with salary at the rate of \$7,175 per annum.

Ronald M. Holmes to be administrative officer, national headquarters, with salary at the rate of \$6,230 per annum.

Austin S. Imirie to be administrative officer, national headquarters, with salary at the rate of \$7,175 per annum.

Kenneth H. McGill to be Chief, Research and Statistics Division, national headquarters, with salary at the rate of \$7,175 per annum.

Blynn T. Shafer to be Assistant Chief, Research and Statistics Division, national headquarters, with salary at the rate of \$6,230 per annum.

IN THE NAVY

Vice Adm. Robert C. Giffen, United States Navy, to be a vice admiral in the Navy, for temporary service, to continue until his detachment from duty as commander, service force, United States Atlantic Fleet, to rank from the 14th day of May 1944.

Vice Adm. Alan G. Kirk, United States Navy, to be a vice admiral in the Navy, for temporary service, to rank from the 10th day of September 1944.

Capt. Oswald S. Colclough, United States Navy, to be a rear admiral in the Navy, for temporary service, to continue while serving as Assistant Judge Advocate General.

Capt. James M. Shoemaker, United States Navy, to be a commodore in the Navy, for temporary service, to continue while serving as commander, naval air bases, Philippines, and until reporting for other permanent duty.

Capt. Ben. H. Wyatt, United States Navy, to be a commodore in the Navy, for temporary service, to continue while serving as an island commander in the Pacific Ocean area, and until reporting for other permanent duty.

Capt. Richard R. McNulty, United States Naval Reserve, to be a commodore in the Naval Reserve, for temporary service, to continue while serving as supervisor, United States Merchant Marine Cadet Corps.

IN THE MARINE CORPS

Col. Ford O. Rogers to be a brigadier general in the Marine Corps, for temporary service, from the 25th day of November 1943.

Col. Byron F. Johnson to be a brigadier general in the Marine Corps, for temporary service, from the 27th day of January 1945.

POSTMASTERS

The following-named persons to be postmasters:

ALABAMA

Amanda C. Funderburg, Cropwell, Ala. Office became Presidential July 1, 1945.

Nannie P. McCaskill, Garland, Ala. Office became Presidential July 1, 1945.

Hattie R. Walker, Highland Home, Ala. Office became Presidential July 1, 1945.

Georgia Miller, Jamestown, Ala. Office became Presidential July 1, 1945.

Era M. Culberson, Kellyton, Ala. Office became Presidential July 1, 1945.

Willodene C. Smith, Lapine, Ala. Office became Presidential July 1, 1945.

James W. Sandlin, Magnolia Springs, Ala. Office became Presidential July 1, 1945.

Mae B. Gamel, Remlap, Ala. Office became Presidential July 1, 1945.

Clifton E. DeLoach, Vida, Ala. Office became Presidential July 1, 1945.

ARIZONA

Olive Tompkins, Camp Verde, Ariz. Office became Presidential July 1, 1945.

Patricia C. Bradley, Cavecreek, Ariz. Office became Presidential April 1, 1945.

ARKANSAS

Buford B. Hammond, Beech Grove, Ark. Office became Presidential July 1, 1945.

Ruth Shock, Enola, Ark. Office became Presidential July 1, 1945.

Clara L. Broyles, Farmington, Ark. Office became Presidential July 1, 1945.

Lewis L. Walker, Higginson, Ark. Office became Presidential July 1, 1945.

Otto Bee Stamps, Kingston, Ark. Office became Presidential July 1, 1945.

John A. Harris, Lefe, Ark. Office became Presidential July 1, 1945.

Drucellia Garrett, Manning, Ark. Office became Presidential July 1, 1945.

Myrtle M. Saylor, Oil Trough, Ark. Office became Presidential July 1, 1944.

Sibyl M. Standefer, Pearcy, Ark. Office became Presidential July 1, 1945.

Elsie Elisabeth Reynolds, Reyno, Ark. Office became Presidential July 1, 1945.

Arthur Wright, Russell, Ark. Office became Presidential July 1, 1945.

Lena M. Dancer, Springfield, Ark. Office became Presidential July 1, 1945.

James P. Felts, Viola, Ark. Office became Presidential July 1, 1945.

CALIFORNIA

Irene Beckley, Grimes, Calif. Office became Presidential July 1, 1945.

Otto J. Hanzlik, Nuevo, Calif. Office became Presidential July 1, 1945.

George Christian, South Dos Palos, Calif. Office became Presidential July 1, 1945.

CONNECTICUT

Albert T. Babcock, Oakdale, Conn. Office became Presidential July 1, 1945.

GEORGIA

I. V. Baldwin, Naylor, Ga. Office became Presidential July 1, 1945.

George M. Hope, Pembroke, Ga., in place of M. E. Harvey, deceased.

J. Robert McGarrath, Plains, Ga., in place of M. H. Campbell, resigned.

ILLINOIS

Alfreda D. Kingery, Jewett, Ill. Office became Presidential July 1, 1945.

Edith A. Defenbaugh, Magnolia, Ill. Office became Presidential July 1, 1945.

Grettle F. Spencer, Whittington, Ill. Office became Presidential July 1, 1945.

IOWA

William F. Dunn, Bernard, Iowa. Office became Presidential July 1, 1945.

Lee W. Luger, Derby, Iowa. Office became Presidential July 1, 1945.

Anna E. St. Clair, Floris, Iowa. Office became Presidential July 1, 1945.

Nettie Evelyn Mack, Hardy, Iowa. Office became Presidential July 1, 1945.

Carmelita B. Collins, Imogene, Iowa. Office became Presidential July 1, 1945.

Cora G. Bigelow, Lester, Iowa. Office became Presidential July 1, 1945.

Edith O. Jacobson, Ottosen, Iowa. Office became Presidential July 1, 1945.

Olive S. Squires, Palo, Iowa. Office became Presidential July 1, 1945.

Celestine M. Mischo, Panama, Iowa. Office became Presidential July 1, 1945.

Ervey Engelhardt, Saint Olaf, Iowa. Office became Presidential July 1, 1945.

Emmett E. Butler, Treynor, Iowa. Office became Presidential July 1, 1945.

Lillie Grace Snakenberg, Webster, Iowa. Office became Presidential July 1, 1945.

Vera L. Coleman, Westgate, Iowa. Office became Presidential July 1, 1945.

Rubye E. Stegemann, Williamson, Iowa. Office became Presidential July 1, 1945.

Letha Doughten, Woolstock, Iowa. Office became Presidential July 1, 1945.

KENTUCKY

Roy Hays, Rochester, Ky. Office became Presidential July 1, 1945.

Norman V. Dossett, Sacramento, Ky. Office became Presidential July 1, 1942.

MARYLAND

Ernest F. Colaw, Crellin, Md. Office became Presidential July 1, 1945.

Mildred R. Bramble, Rhodesdale, Md. Office became Presidential July 1, 1945.

Cora M. Lohr, Swanton, Md. Office became Presidential July 1, 1945.

MICHIGAN

Roscoe B. Huston, Detroit, Mich., in place of R. B. Huston. Incumbent's commission expired June 27, 1942.

MISSISSIPPI

Cora Lee Lyon, Cedarbluff, Miss. Office became Presidential July 1, 1945.

Charlie C. Roberts, Dixon, Miss. Office became Presidential July 1, 1945.

William H. Swales, Edinburg, Miss. Office became Presidential July 1, 1945.

Lela R. Bracken, Harrisville, Miss. Office became Presidential July 1, 1945.

Benjamin H. Chatham, Montrose, Miss. Office became Presidential July 1, 1945.

Mamie McAlister, Paden, Miss. Office became Presidential July 1, 1945.

Algile A. Edwards, Polkville, Miss. Office became Presidential July 1, 1945.

George W. Miles, Pulaski, Miss. Office became Presidential July 1, 1945.

Lauren N. Tillson, Sylva, Miss. Office became Presidential July 1, 1945.

Lamar Coker, Tooms, Miss. Office became Presidential July 1, 1945.

MISSOURI

Charles A. Boyd, Camden Point, Mo. Office became Presidential July 1, 1945.

Laura L. Procter, Centertown, Mo. Office became Presidential July 1, 1945.

Vern Rozell, Chadwick, Mo. Office became Presidential July 1, 1945.

Earle F. Stewart, Coffey, Mo. Office became Presidential July 1, 1945.

Lawrence Ruckman, Denver, Mo. Office became Presidential July 1, 1945.

William L. Shelton, Edgar Springs, Mo. Office became Presidential July 1, 1945.

Lila B. Coull, Greenwood, Mo. Office became Presidential July 1, 1945.

Edith B. Sympton, Guilford, Mo. Office became Presidential July 1, 1945.

Ross N. Glascock, Hartsburg, Mo. Office became Presidential July 1, 1945.

Ethel M. Vaughan, Lanagan, Mo. Office became Presidential July 1, 1945.

Roxie M. Shook, Larussell, Mo. Office became Presidential July 1, 1945.

Prudy T. Keith, Leonard, Mo. Office became Presidential July 1, 1945.

Marie E. Triplett, Long Lane, Mo. Office became Presidential July 1, 1945.

Mora Tracy, Mayview, Mo. Office became Presidential July 1, 1945.

Ruby M. Laurie, Osage Beach, Mo. Office became Presidential July 1, 1945.

Ethel McCurry, Pleasant Hope, Mo. Office became Presidential July 1, 1945.

Virgil Reinhard, Pollock, Mo. Office became Presidential July 1, 1945.

Mildred E. Vassar, Rothville, Mo. Office became Presidential July 1, 1945.

Albert George Layton, Vanduser, Mo. Office became Presidential July 1, 1945.

MONTANA

Julia L. Rose, Brady, Mont. Office became Presidential July 1, 1945.

Carl Anderson, Fallon, Mont. Office became Presidential July 1, 1945.

Edward F. Turck, Moore, Mont. Office became Presidential July 1, 1945.

NEW HAMPSHIRE

James F. Magee, Wolfeboro Falls, N. H. Office became Presidential July 1, 1945.

NEW MEXICO

Annie L. Nicholas, Oil Center, N. Mex., in place of R. G. Holt, resigned.

NEW YORK

E. Freeman DeZutter, Alton, N. Y. Office became Presidential July 1, 1945.

Irving S. Whipple, Basom, N. Y. Office became Presidential July 1, 1945.

Ethel F. Conte, Bridgewater, N. Y. Office became Presidential July 1, 1945.

Anna M. Jackson, Burnt Hills, N. Y. Office became Presidential July 1, 1945.

Anna M. Hackal, Calverton, N. Y. Office became Presidential July 1, 1945.

Louis C. Heim, Collins Center, N. Y. Office became Presidential July 1, 1945.

Charles A. Fisher, Davenport, N. Y. Office became Presidential July 1, 1945.

Howard Vadney, Feura Bush, N. Y. Office became Presidential July 1, 1945.

Ralph M. Fierle, Lake View, N. Y. Office became Presidential July 1, 1945.

F. Marlon Moseley, Manorville, N. Y. Office became Presidential July 1, 1945.

Daniel J. O'Rourke, Massapequa Park, N. Y. Office became Presidential July 1, 1945.

Clayburn J. Culver, Panama, N. Y. Office became Presidential July 1, 1945.

Mary A. Cunningham, Pattersonville, N. Y. Office became Presidential July 1, 1945.

Margaret N. Lynch, Pomona, N. Y. Office became Presidential July 1, 1945.

Lester C. Trowbridge, Rhinecliff, N. Y. Office became Presidential July 1, 1945.

M. Michelina Ostermayr, St. Josephs, N. Y. Office became Presidential July 1, 1945.

Rosalie E. Molin, Smithtown, N. Y. Office became Presidential July 1, 1945.

Josephine R. Reilly, South Salem, N. Y. Office became Presidential July 1, 1945.

Dorothy E. Tash, Stafford, N. Y. Office became Presidential July 1, 1945.

Freda F. Way, Stormville, N. Y. Office became Presidential July 1, 1945.

Norbert F. Marzolf, Strykersville, N. Y. Office became Presidential July 1, 1945.

Ward W. Mount, Three Mile Bay, N. Y. Office became Presidential July 1, 1945.

William Holdorf, Tribes Hill, N. Y. Office became Presidential July 1, 1945.

Anna F. Barrett, Victory Mills, N. Y. Office became Presidential July 1, 1945.

Carl G. Kemp, Wading River, N. Y. Office became Presidential July 1, 1945.

OKLAHOMA

Newport W. Sanford, Bethany, Okla., in place of N. W. Sanford. Incumbent's commission expired May 20, 1941.

Leonard H. Roberts, Sweetwater, Okla. Office became Presidential July 1, 1945.

OREGON

Anna May Conklin, Metzger, Oreg. Office became Presidential July 1, 1945.

TENNESSEE

Maude Pack, Delano, Tenn. Office became Presidential July 1, 1945.

Gene S. Kemp, Difficult, Tenn. Office became Presidential July 1, 1945.

Charles C. Brooks, Eidson, Tenn. Office became Presidential July 1, 1945.

Alice E. Davis, Elgin, Tenn. Office became Presidential July 1, 1945.

Lucille B. Johnson, Hampton, Tenn. Office became Presidential July 1, 1943.

Roy P. Blevins, Shady Valley, Tenn. Office became Presidential July 1, 1945.

Walter A. Adkins, Winfield, Tenn. Office became Presidential July 1, 1945.

TEXAS

Caroline B. Fisher, Markham, Tex. Office became Presidential July 1, 1945.

Joseph W. Caldwell, Sumner, Tex. Office became Presidential July 1, 1945.

VIRGINIA

Aubrey G. Graham, Norfolk, Va., in place of J. E. Milan, retired.

WASHINGTON

Elsie J. Trana, Maple Valley, Wash. Office became Presidential July 1, 1945.

WEST VIRGINIA

Thomas W. Alkire, Carolina, W. Va. Office became Presidential July 1, 1945.

Harriet W. Stephenson, Jolo, W. Va. Office became Presidential July 1, 1945.

Mary Thelma Garrett, Simpson, W. Va., Office became Presidential July 1, 1945.

HOUSE OF REPRESENTATIVES

FRIDAY, JULY 20, 1945

The House met at 12 o'clock noon.

Rev. Bernard Braskamp, D. D., pastor of the Gunton Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

Almighty God, day by day we are the beneficiaries of Thy bountiful providence. Show us how we may conserve and cultivate the worthy and valuable experiences of each succeeding day. Whatever is sinful and sordid, wilt Thou forgive and remember no more against us.

Grant that we may make the most of and the best of this new day which has come to us laden with so many glorious blessings and opportunities. May we use all its hours not only for enjoyment but for progress in the nobler ways of living.

May our creed and conduct, profession and practice, talk and walk, harmonize in cordial and constant agreement. Help us to be faithful to our highest trusts, and loyal to every royal instinct and aspiration which Thou hast implanted within us.

We pray that we may be noble partners with Thee in contributing to the welfare and happiness of needy humanity. Inspire us with the spirit of the Christ to bring in that blessed day when men and nations shall live together in the fellowship of peace.

To Thy name we shall give all the glory. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 3314. An act to provide for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development; and

H. R. 3633. An act to facilitate reconversion, and for other purposes.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1270. An act relating to the payment of subsidies by the Commodity Credit Corpo-

ration and the Reconstruction Finance Corporation.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 592) entitled "An act for the relief of the estate of James Arthur Wilson, deceased."

INTERNATIONAL MONETARY FUND AND THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

Mr. SPENCE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3314) to provide for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 7, strike out all after line 23 over to and including line 3 on page 8.

Page 8, line 5, strike out "7" and insert "6."

Page 8, line 11, strike out "8" and insert "7."

Page 10, line 17, strike out "9" and insert "8."

Page 12, line 5, strike out "10" and insert "9."

Page 12, line 20, strike out "11" and insert "10."

Page 13, line 13, strike out "12" and insert "11."

Page 13, line 23, strike out "13" and insert "12."

Page 14, line 13, strike out "14" and insert "13."

Page 14, line 16, strike out "(i)."

Page 14, line 21, strike out "(ii)."

Page 14, line 22, strike out "relief or reconstruction" and insert "relief, reconstruction, or armaments."

Page 14, line 25, strike out "either" and insert "any."

Page 15, after line 6, insert:

"FURTHER PROMOTION OF INTERNATIONAL ECONOMIC RELATIONS"

"SEC. 14. In the realization that additional measures of international economic cooperation are necessary to facilitate the expansion and balanced growth of international trade and render most effective the operations of the Fund and the Bank, it is hereby declared to be the policy of the United States to seek to bring about further agreement and cooperation among nations and international bodies, as soon as possible, on ways and means which will best reduce obstacles to and restrictions upon international trade, eliminate unfair trade practices, promote mutually advantageous commercial relations, and otherwise facilitate the expansion and balanced growth of international trade and promote the stability of international economic relations. In considering the policies of the United States in foreign lending and the policies of the Fund and the Bank, particularly in conducting exchange transactions, the Council and the United States representatives on the Fund and the Bank shall give careful consideration to the progress which has been made in achieving such agreement and cooperation."

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

Mr. WHITE. Mr. Speaker, we have just let the Bretton Woods agreement go through without an effort to protect the basic principle of this international monetary agreement—the integrity of money used in international trade—by removing the restrictions on its international circulation. How can any international monetary plan be successful when the contracting nations are left to funnel trade into their country by issuing money limited to use only in certain countries—namely blocked currency. We are told the contracting nations must safeguard their credit by protecting the tremendous volume of blocked currency outstanding. Which is the more important, the success of the new monetary Commission or the advantage to be obtained for some country by the use of blocked currency? If the contracting nations are sincere in their effort to do away with inequalities of international exchange and restraint of international trade, what is to prevent any nation from recalling their outstanding blocked currencies in exchange for international money good in any country as a means of making this new international money system work and to safeguard the successful operation of this new international monetary convention? Evidently the advantage accorded this favored nation at the very outset is the chief objective of the Bretton Woods scheme—control of international trade by the control of the creation and circulation of international money. The American representatives at the Bretton Woods Conference have flaunted the expressed purpose of our Government as laid down in section 311 of the United States Statutes:

SEC. 311. It is hereby declared to be the policy of the United States to continue the use of both gold and silver as standard money and to coin both gold and silver into money of equal intrinsic and exchangeable value, such equality to be secured through international agreement, or by such safeguards of legislation as will insure the maintenance of the parity in value of the coins of the two metals, and the equal power of every dollar at all times in the markets and in the payment of debts. And it is hereby further declared that the efforts of the Government should be steadily directed to the establishment of such a safe system of bimetalism as will maintain at all times the equal power of every dollar coined or issued by the United States, in the markets and in the payment of debts.

TO FACILITATE RECONVERSION

Mr. DOUGHTON of North Carolina. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3633) to facilitate reconversion, and for other purposes, with a Senate amendment, and agree to the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Page 18, strike out all after line 14 over to and including line 7 on page 20.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

PAYMENT OF SUBSIDIES BY THE COMMODITY CREDIT CORPORATION AND THE RECONSTRUCTION FINANCE CORPORATION

Mr. SPENCE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1270) relating to the payment of subsidies by the Commodity Credit Corporation and the Reconstruction Finance Corporation.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, will the gentleman from Kentucky please explain briefly the purposes of the bill?

Mr. SPENCE. Mr. Speaker, this bill provides for the transfer of food subsidies now paid by the Reconstruction Finance Corporation to the processor, to the Commodity Credit Corporation in the Department of Agriculture. The purpose of the bill is that the subsidies, instead of being paid to the processor, shall be true production subsidies and shall be paid to the producer. There is no increase in the amount of subsidies that shall be paid. The \$595,000,000 now paid to the meat processors shall be paid to the producers of livestock and livestock products. The subsidy of \$100,000,000 on butter now paid to processors shall be paid to the producers of butterfat and butter. The subsidies now being paid on flour shall be paid to the wheat producers and the producers of wheat products.

The Reconstruction Finance Corporation has no means of paying these subsidies to the farmers. The Department of Agriculture has the mechanism by which the subsidies can be paid directly to the farmer, and instead of being a roll-back subsidy will, in effect and in truth, be production subsidies. This bill has the approval of the Reconstruction Finance Corporation, of the Department of Agriculture, of the Director of Economic Stabilization, and the Director of War Mobilization. In fact, it has the approval of all departments of government interested. It seems to me it is something that should have been done long ago.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. SPENCE. I yield.

Mr. GROSS. What is the object of a wheat subsidy? No matter who gets it, what is the object of it?

Mr. SPENCE. In this case it would increase the production of wheat.

Mr. GROSS. Is it not true that wheat is lying in the elevators and cannot be moved and is spoiling and is a nuisance? I have seen it lying around like that, and the gentleman from Kansas and others have testified to that.

Mr. SPENCE. The question here does not arise whether or not we will continue subsidies. Subsidies are in the law and they will continue for a year. The question is whether these subsidies will be administered by the Reconstruction Finance Corporation and the subsidies paid to processors, or whether the subsidies will be paid by the Commodity Credit Corporation directly to farmers whom we are trying to help.

Mr. GROSS. How much money was spent in the last year for wheat subsidies in this country?

Mr. SPENCE. I do not know. I think \$190,000,000 was authorized for flour. This will now go to the wheat grower if directed by the Secretary of Agriculture.

Mr. GROSS. Yes, they ground up hundreds of millions of bushels of the best wheat to feed the livestock because it could not be used in any other way, and when they fed that to the livestock the corn laid around and spoiled. What is the sense of all this?

Mr. SPENCE. I do not think those questions arise; it is just a question of how this subsidy is going to be administered. It is already provided for by law.

Mr. GROSS. Is it not true that the question should be, How can we cut it all out and save the taxpayers that money?

Mr. BROWN of Georgia. Mr. Speaker, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from Georgia.

Mr. BROWN of Georgia. Was there any opposition to this bill in the Senate?

Mr. SPENCE. There was no opposition to the bill in the Senate, as I understand it; it was voted out by the committee unanimously. I am sure there is no opposition in the House.

Mr. BROWN of Georgia. Under this bill the subsidy goes to the producers.

Mr. SPENCE. The subsidy goes to the producers direct, something we have devoutly wished to accomplish ever since subsidies were inaugurated.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from Missouri.

Mr. COCHRAN. There is no authorized increase in the over-all subsidies, is there?

Mr. SPENCE. No.

Mr. COCHRAN. None whatever, it is simply a different method of distribution.

Mr. SPENCE. It is a matter of distribution, and if the payment of subsidy is authorized by the Commodity Credit Corporation there is a corresponding reduction in the subsidy that the Reconstruction Finance Corporation is authorized to use.

Mr. JENKINS. Mr. Speaker, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from Ohio.

Mr. JENKINS. Is it not a fact that it will require a much larger personnel to distribute the subsidies to the producers?

Mr. SPENCE. No; I think not. I think the mechanism is already established in the Department of Agriculture through the agencies they control. The Reconstruction Finance Corporation has neither the authority nor the mechanism of agencies by which it could do it.

Mr. JENKINS. Let me pursue that a little further. It stands to reason that there are many more producers than there are processors.

Mr. SPENCE. That is true.

Mr. JENKINS. The Reconstruction Finance Corporation can distribute these subsidies to food processors of which there may be only 10,000; but there might be a million producers.

Mr. SPENCE. Absolutely; and that is the reason the Reconstruction Finance Corporation never had the authority to distribute to the farmers, and it did not have the agencies by which it could make the distribution.

Mr. JENKINS. Let me ask this so we will have it clear, that if this is transferred to the Department of Agriculture they already have the facilities and will not be required to build up any new agencies.

Mr. SPENCE. That is correct. I have here a letter from the Secretary of Agriculture which I intend to put in the RECORD, and also a letter from Mr. Goodloe, General Counsel of the Reconstruction Finance Corporation, in which it is stated that the Department of Agriculture is equipped to make these subsidy payments and the Reconstruction Finance Corporation cannot make them directly to the farmer.

Mr. JENKINS. If it should hereafter develop that they were going to have to hire half a million more people to distribute these subsidies, it would be contrary to what the gentleman expects.

Mr. SPENCE. There is no appropriation for that purpose. They say that under the present set-up of the Department of Agriculture they can administer this law as it ought to be administered.

Mr. Speaker, I ask unanimous consent to insert in the RECORD at this point a letter from the Secretary of Agriculture, Mr. Anderson, and a letter from the General Counsel of the Reconstruction Finance Corporation, Mr. Goodloe.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

(The letters referred to follow:)

DEPARTMENT OF AGRICULTURE,
Washington, July 17, 1945.

HON. BRENT SPENCE,
Chairman, Banking and
Currency Committee,
House of Representatives.

DEAR MR. SPENCE: In accordance with our telephone conversation of today, I want to comment briefly on S. 1270. This bill authorizes a reduction limitation or ceiling on food subsidies and a corresponding increase in the Commodity Credit Corporation limitation or ceiling.

It is urgent that legislation of this character be enacted without delay so as to enable the proposed lamb-subsidy payments to be made directly to producers. Under existing law, while the Reconstruction Finance Corporation has sufficient funds to carry out the lamb-subsidy program, it does not have the authority to make these payments directly to producers. On the other hand, while the Commodity Credit Corporation has the authority to make the lamb-subsidy payments directly to producers, it does not have the funds under the existing applicable subsidy limitations.

The bill would authorize a similar shift in other food subsidies now paid to processors by Reconstruction Finance Corporation if subsequent developments indicate that such a shift would make for increased production. I want to emphasize that total subsidy limitation for the two agencies would remain unchanged.

I deeply appreciate your consideration of this legislation at this time.

Sincerely yours,

CLINTON P. ANDERSON,
Secretary.

RECONSTRUCTION FINANCE CORPORATION,
Washington, D. C., July 17, 1945.
HON. BRENT SPENCE,
Chairman, House Banking and
Currency Committee,
Washington, D. C.

DEAR CONGRESSMAN SPENCE: This is in response to your telephone inquiry in regard to S. 1270 introduced in the Senate yesterday by Senator O'MAHONEY for himself and eight of his colleagues. You are correct in your understanding that this legislation is desired by the Department of Agriculture and the Reconstruction Finance Corporation. It has also been cleared with the Office of War Mobilization and Reconversion and the Office of Economic Stabilization. The bill was unanimously reported today by the Senate Committee on Banking and Currency with the "provided further" clause relating to sugar stricken and we are hopeful that this bill will be enacted this week.

The bill does not increase the total overall limit provided by the Congress for the payment of subsidies during the fiscal year ending June 30, 1946.

The general purpose of the bill is to permit the Secretary of Agriculture to transfer to Commodity Credit Corporation at such times and in such manner as he may determine the administration of the food subsidy programs now handled by the Reconstruction Finance Corporation. Such programs are limited to meat, butter, and flour. In view of the fact that Congress recently has seen fit to centralize in the Secretary of Agriculture (who also succeeds to the authority of the War Food Administration) certain authority and responsibility with respect to food, it would be desirable that the Secretary of Agriculture likewise be given authority with respect to the three food subsidy programs handled by RFC.

The specific and immediate purpose of the bill is to permit the payment to the growers of the lamb subsidy. At present the lamb subsidy is 95 cents per 100 pounds and is paid by RFC to the slaughterer, and it is proposed that the payments be increased in amount to \$2 per 100 pounds for the 6 months ending December 31, 1945, and \$2.50 per 100 pounds for the 6 months ending June 30, 1946, the payments to be made to the growers. Legislation is necessary to accomplish this for several reasons:

1. While the Commodity Credit Corporation has the authority and the facilities for making payments directly to growers, it cannot undertake the lamb program within the limitations on the use of its funds for subsidy payments as provided in section 3 of the act of April 12, 1945 (Public, 30, 79th Cong.); and
2. While RFC could make the payments within the limitations on its funds for subsidy payments proposed by the act of June 23, 1945 (Public, 88, 79th Cong.), RFC has neither the facilities for making such payments directly to growers nor the legal authority so to do. The latter is occasioned solely by the fact that RFC is authorized to pay subsidies on commodities that have been defined as strategic or critical by the President pursuant to section 5d of the RFC act, as amended. Meat (beef, pork, lamb, mutton, and veal) but not livestock, have been so defined and section 2 (e) of the Emergency Price Control Act of 1942, as amended by section 102 of the Stabilization Extension Act of 1944, provides that no additional agricultural commodities or commodities manufactured or processed in whole or substantial part from any agricultural commodity intended to be used as food for human consumption, shall for the purposes of that subsection be defined as strategic or critical pursuant to the provisions of said section 5d of the Reconstruction Finance Corporation Act, as amended.

Very truly yours,

JOHN D. GOODLOE,
General Counsel.

Mr. WOLCOTT. Mr. Speaker, further reserving the right to object, I view this bill as the last chapter of a very interesting book which has been written in respect to subsidies, especially in respect to so-called consumer subsidies. It will be recalled that for some years how we on this side of the aisle and many on the other side have been fighting valiantly if not always successfully to prevent the payment of consumer subsidies. Some of you know them better perhaps as roll-back subsidies.

In section 2-e of the OPA act as originally enacted, the Reconstruction Finance Corporation was authorized to pay subsidies to obtain a maximum amount of critical and strategic material. We of course thought when that bill was passed that when we referred to "strategic and critical materials" we were referring to copper, lead, zinc, nickel, and the minerals principally, but the President in his wisdom included in his Executive order butter, meat, and flour as strategic and critical materials.

It has always been contended that there was not authority in law to pay these subsidies for the purpose of maintaining maximum prices, that the law provided for the payment of subsidies to the producer to get the maximum amount of production. Last year the Senate wrote a prohibition into the law, which we accepted, prohibiting the payment of subsidies after June 30, 1945. This year S. 502 amended that prohibition to authorize the payment of certain subsidies, and the subsidies referred to in this bill now being considered, S. 1270, are the subsidies referred to in S. 502, which we enacted some weeks ago. In the bill S. 502 we amended the so-called Taft amendment prohibiting the payment of subsidies to the extent that the Reconstruction Finance Corporation could through its subsidiary corporations pay certain subsidies on butter to the amount of \$100,000,000, on wheat up to \$190,000,000, and on livestock up to \$595,000,000. That continued the roll-back subsidy program.

This bill in effect simply transfers the \$595,000,000, which the RFC was authorized to pay as subsidies on meat and livestock, the \$190,000,000 on wheat, and the \$100,000,000 on butter, from the Reconstruction Finance Corporation to the Commodity Credit Corporation for the purpose of paying not subsidies to maintain maximum prices, which we have always contended was illegal, but subsidies to the producer for the purpose of obtaining a maximum amount of production. That is why I say this is the last chapter, I hope, in this fight which we have been carrying on to prevent the payment of subsidies to processors or to consumers for the illegal purpose of maintaining maximum prices.

There has never been any objection whatsoever to the payment of any reasonable amount of subsidies to the producer to obtain a maximum amount of production. We have the assurance that if this bill is enacted into law the subsidies which would otherwise be paid to a processor to maintain maximum prices will now be directly paid to producers and only in such sums under the

limitation which we have set in here to obtain the maximum amount of production.

Mr. JENKINS. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Ohio.

Mr. JENKINS. I have not had a chance to read this bill and I do not believe anybody else has. The gentleman is an expert on this. I agree with what he says that the subsidy ought to go back to the producer as soon, as rapidly, and as completely as possible. But let me ask the gentleman in the Department of Agriculture, will it be necessary for them to build up a great big list of new personnel in order to carry this out?

Mr. WOLCOTT. The Commodity Credit Corporation has expended and committed over \$3,000,000,000. If I remember correctly their limit at the present time is \$5,000,000,000. I think we extended it. However, it is over a \$3,000,000,000 concern. They have ample personnel to administer this law without the addition of one single person to the pay roll of the Commodity Credit Corporation. It is right along the line of their present activity, so there is no reason to believe that the personnel of the Commodity Credit Corporation will be increased by a single individual.

Mr. MURDOCK. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Arizona.

Mr. MURDOCK. Do I understand from the gentleman that this is a premium payment to the producers of lamb and mutton?

Mr. WOLCOTT. Yes, and beef, pork, or any other meat—livestock or livestock products.

Mr. MURDOCK. But it is a payment chiefly to the producer?

Mr. WOLCOTT. Yes.

Mr. MURDOCK. I favor it for that very reason and I am glad to have the gentleman's statement.

Mr. WOLCOTT. May I make this further statement. Take the case of butter. The roll-back on butter was 5 cents a pound. It was static. It was more or less set at 5 cents a pound. Under this act, if the Department of Agriculture, through the Commodity Credit Corporation, can get a maximum amount of production of butter for less than 5 cents paid to the producer, there is a possibility of our saving some money.

Mr. SPENCE. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Kentucky.

Mr. SPENCE. In answer to the gentleman's question, one of the main incentives for the immediate passage of this bill is that the subsidy on lambs might be paid. They feel that is very essential at this time.

Mr. WOLCOTT. That is the immediate important problem.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Pennsylvania.

Mr. GROSS. How will the small wheat farmer who sells 500 bushels, say, qualify for this subsidy?

Mr. WOLCOTT. Why, that is done through the machinery that has already been set up for the payment of any other subsidies. If I were to advise the farmers in my district in respect to all of these problems, I would tell them to go to their county agents. The county agent has the information or can obtain the information as to where he can apply for the subsidy.

Mr. GROSS. There ought to be somebody here in the House today who could tell us that, and not say "presumably."

Mr. WOLCOTT. I can say very definitely that they may go to the county agent. He is the only direct representative that they have. They will go to the county agent. The county agent represents the Federal and the State and county governments, and they can get sufficient information from him and sufficient forms from him to make application. The application eventually gets to the Commodity Credit Corporation. The channels through which it goes I am not positive about, but I do know that they can originate with the county agents.

Mr. HOLMES of Washington. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Washington.

Mr. HOLMES of Washington. Is it not true that the technical changes brought about in S. 1270 are merely to increase the flexibility of the payment of subsidies as from the Reconstruction Finance Corporation to the Commodity Credit Corporation rather than giving any increase in total subsidies, and likewise does not this technical change direct the subsidy back to the producer?

Mr. WOLCOTT. That is substantially correct. If I am in error, I shall welcome a correction but as I understand, all of these moneys will be transferred from the Reconstruction Finance Corporation to the Department of Agriculture, so that the Reconstruction Finance Corporation for all practical purposes will be out of the picture.

Mr. HOLMES of Washington. I appreciate the gentleman's statement.

Mr. WOLCOTT. I may also say that there will be much more flexibility in the use of the money under the Commodity Credit Corporation than there has been under the Reconstruction Finance Corporation.

Mr. HOLMES of Washington. I want to go on record as saying that I am interested in the fine statement made by the gentleman regarding this matter, because I consider it an expeditious move in relation to the functioning of the flexibility of the subsidy program.

Mr. MANSFIELD of Montana. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Montana.

Mr. MANSFIELD of Montana. I want to compliment the gentleman from Michigan and the gentleman from Kentucky for explaining this bill in a way that all of us can understand. The gentleman has mentioned the fact that there is a relation between what is being done in this bill and what has already been passed in S. 502. Does anything contemplated in this measure affect the subsidies for copper, lead, and zinc as outlined in S. 502? Will the premiums to be

paid for those scarce metals still be continued in the same way through the Metals Reserve Corporation and the RFC?

Mr. WOLCOTT. Nothing whatsoever. Mr. MANSFIELD of Montana. Just foodstuffs?

Mr. WOLCOTT. The subsidies provided for copper, lead, and zinc in S. 502 remain where they are and as I understand it the premiums will continue to be paid in the manner in which they have always been paid through the Metals Reserve Corporation or through the RFC if Metals Reserve Corporation is finally taken over by the RFC.

Mr. MANSFIELD of Montana. I thank the gentleman.

Mr. PITTINGER. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Minnesota.

Mr. PITTINGER. In line with the fine explanation the gentleman has made of this problem, I would be enlightened on why we have to continue enlarging and spending these subsidies for producers when all of us know there is a shortage, and all the producers want to do is to be allowed to produce instead of following this program of burdening the taxpayers with a lot of subsidies when most of us have been opposed to them?

Mr. WOLCOTT. I think the gentleman and I are in complete agreement that eventually all of these subsidies should be eliminated, and as I understand, this is a step forward in that direction which will facilitate the final liquidation of all these subsidies.

The nice part about these subsidies is that they are going to be paid to the producer. The farmer, the livestock raiser, is going to be assured that he will get the subsidy. Of course, it will accomplish the same purpose that has been accomplished in respect to maximum prices that the roll-back subsidies had. The only difference will be that the farmer will get this to encourage an expansion of production, which we need more than anything else in the food line in the country today.

Mr. PITTINGER. But, as a matter of fact, the whole program would be unnecessary if they would let the producers produce. Is there not something else back of this that the gentleman has not mentioned?

Mr. WOLCOTT. Of course, the whole thing would be unnecessary if they would let the prices go up; but they cannot let the prices go up under control sufficient to prevent an inflationary tendency, so we have gone along with this program in that respect.

Mr. FOLGER. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from North Carolina.

Mr. FOLGER. Is it not true that this becomes really a production-incentive payment rather than a subsidy?

Mr. WOLCOTT. That is my understanding of it.

Mr. BROWN of Georgia. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Georgia.

Mr. BROWN of Georgia. The gentleman referred to the fact that all of those on the left side of the aisle had voted against consumer subsidies and some on the right.

Mr. WOLCOTT. I intended to say most of those on the left of the aisle and some on the right.

Mr. BROWN of Georgia. A majority of those on the right voted against consumer subsidies.

Mr. WOLCOTT. The gentleman is absolutely correct. I think the gentleman from Georgia and most of us are in hearty accord that there was something distasteful, at least, about the payment of these and any other subsidies.

Mr. JENKINS. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Ohio.

Mr. JENKINS. Who is going to set up the conditions which the producers will have to meet in order to be entitled to the subsidy? Many producers might not be entitled to the subsidy.

Mr. WOLCOTT. Mr. Anderson, who is now the Secretary of Agriculture and War Food Administrator, will have the obligation and the power to set up this program.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Michigan.

Mr. MICHENER. To make a long story short, as I get it the purpose of this legislation is to centralize authority in the Commodity Credit Corporation, and to eliminate the Reconstruction Finance Corporation, to the end that production of the things we need may be increased now.

Mr. WOLCOTT. It also give the Secretary of Agriculture and the War Food Administrator a great deal of jurisdiction as to the maintenance of prices, so it is a step in the direction of the objectives that are sought by the Republican Food Committee, chairmanned by the gentleman from Ohio [Mr. JENKINS]. This is the first step, we hope, toward the centralization of the production, distribution, and pricing of foods under a single head.

Mr. MICHENER. It makes for better administration, for simplified administration, without additional personnel being employed and without additional expense to the taxpayer.

Mr. WOLCOTT. The gentleman is correct, according to my understanding.

Mr. JENKINS. In that connection, if everything that the gentleman has indicated ought to be done is done, it will have a very satisfactory and salutary conclusion.

Mr. WOLCOTT. We have been given reasonable assurance that it will be done.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Illinois.

Mr. SABATH. I have observed that the gentleman representing the rural sections, the farmers, are very much interested in this. So am I. I have a great deal of confidence in the Secretary of Agriculture, and I think that

under him the matter will be properly handled. What I should like to know is, Where does the consumer come in? What possible benefit will inure to the consumer by reason of this legislation? I have been told that about \$5,000,000,000 has been paid in subsidies. I have not seen any evidence that prices have been held down. Unfortunately people come in demanding higher prices for everything they produce. Today all these commodities are higher, twice as high as they were when the President originally started to hold prices down, to hold the cost of living down. That was his intention, but that has not been accomplished because the producers have taken advantage of it. Unfortunately the consumers, especially the low-paid wage earners, the white-collared people, have been obliged to pay much higher prices out of their earnings.

Mr. WOLCOTT. I do not think the gentleman is contending that the Office of Price Administration has been a complete failure. Even I believe that the OPA has been very successful in certain lines in keeping consumer prices somewhat in place.

Mr. SABATH. Oh, yes; it has helped the farmer and the producer.

Mr. WOLCOTT. Now, this is how we will benefit your consumer. It should assure more production of vital foods. Your consumers today are not getting enough butter, meat, lamb, beef, or pork production.

Mr. SABATH. You know the reason why.

Mr. WOLCOTT. This is at least a cog in the machinery which may increase the production of beef, lamb, pork, butter, and all of the other commodities which are now subsidized. I think the gentleman is highly in accord with that intent.

Mr. SABATH. You know why the people are not getting butter.

Mr. WOLCOTT. Why?

Mr. SABATH. Because the dairy people are getting such tremendously high prices for milk that they will not use it to make butter. They are selling milk because they can get as much as \$4 per hundred pounds where formerly it was sold at 95 cents a hundred.

Mr. WOLCOTT. I suggest the gentleman take that up with the War Food Administrator.

Mr. SABATH. That is why there is a shortage of butter.

Mr. WOLCOTT. I suggest the gentleman take that up with the War Food Administrator because he has absolute control over that.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Missouri.

Mr. COCHRAN. Is not the proper answer to the question of the gentleman from Illinois that the consumers being numerically far in excess of the number of producers, will be called upon to pay in the form of taxes the money that it will take to carry out the provisions of the act? In the end the consumers are really the producers either by increased cost or by payment of taxes to meet the cost of subsidies.

Mr. SABATH. Consumers are paying right along.

Mr. WOLCOTT. I will say to the gentleman, if we get additional production of vital foods as a result of these subsidies, then they will not pay nearly as much as when the taxpayers have to pay in taxes \$3 for every dollar paid in subsidies as there would be if it was poured down a rat hole by attempting to maintain maximum prices by reason of subsidies such as you have been doing. At least they will get some benefit from these subsidies if the producer is encouraged to increase his production.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Mississippi.

Mr. RANKIN. In reply to the window-sill farmer from Chicago, Mr. SABATH—

Mr. SABATH. Mr. Speaker—

Mr. RANKIN. I do not yield.

Mr. SABATH. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. RANKIN. I will withdraw that. He is not a window-sill farmer. I doubt if he would know how to farm even on a window sill.

The SPEAKER. Without objection, the gentleman from Mississippi may withdraw those words.

There was no objection.

Mr. RANKIN. In reply to the gentleman from Illinois—

Mr. SABATH. That is better.

Mr. RANKIN. Who talks like a window-sill farmer, I want to say to the gentleman from Michigan that the wheat farmer, the corn farmer, and the cotton farmer would not be receiving real parity today if they got twice as much as they are getting now. If the price of wheat on the farm were doubled and if the price of corn and cotton on the farm were doubled, they would not then be getting as much in proportion as are the people who are working in defense industries, and others who are enjoying the benefits of this inflation that we have now. The farmers' prices are being held down to the irreducible minimum. They are under no obligation to produce materials to feed and clothe the rest of the country and sell them below the cost of production.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. SABATH. Is it not a fact that the farmer is receiving three times as much for cotton and four times as much as he did some years ago, and that the same thing applies to wheat and all the other commodities that the farmers raise?

Mr. WOLCOTT. I do not think they are getting three and four times as much.

Mr. SABATH. Everyone will concede that the farmers are prosperous as they have never been before, and they are making more money than they ever did before.

Mr. RANKIN. How about when the exchanges were closed and the commodities went down to nothing?

Mr. SABATH. The figures show that the defense workers are earning less than \$1,300 a year.

Mr. GROSS. Mr. Speaker, reserving the right to object, this matter of sub-

sides has been like a sore thumb here and everywhere for a long time. The best evidence we can get as to what ought to be done here is just to take an appraisal of things and see how much money has been spent and what has been accomplished. The other day we read in the paper about a new subsidy going into effect to the producer of livestock, 50 cents per 100 pounds, but he has got to feed a steer of a certain grade and quality. Then he has got to sell it to an approved slaughterer who will get his authority to slaughter from the OPA. Then he has got to have the carcass inspected. Fifty cents per 100 pounds means on the hoof, that is approximately one cent a pound dressed meat. Would it not be better to increase the price of beef a cent a pound and give the people beef and cut out all the red tape?

The gentleman from Michigan [Mr. WOLCOTT] who spoke a moment ago told about not needing any more personnel. He cannot tell the farmers that. Neither could he explain how a small farmer could qualify. This morning I read in the local paper that in my home county in Pennsylvania they are going to give the farmers wheat insurance now. But 50 farmers must subscribe for wheat insurance, then the Department of Agriculture will set up an agency to administer it. When all is said and done it gets back to this, that the little man who needs it never gets it. It will be just the same as in cotton. You fellows who have these broad cotton acres are the fellows who get the thousands and thousands and thousands of dollars, and not the poor colored tenant farmer down there who is plodding after a mule up and down the field in the heat, and living in a dog house. He is not the man who gets it. It is you rich boys and a few life-insurance companies. The little wheat farmer will never get a dollar of this, but it will set up a gigantic agency all over the country. Offices will be opened and clerks hired in every county in the U. S. A. that raises wheat. The gentleman cannot tell me that the county agents are going to administer this. I know better. I worked with the first county agent in my county in Pennsylvania more than 30 years ago when county agents was so new that farmers wanted to know what they sell and I have been working with county agents ever since and I have never seen one yet that administered a Federal program. Not that they could not but the politicians will not stand for it. They want an agency of their own. It makes more jobs. And cost is never thought of.

This money should be saved and this whole thing should be stopped. The gentleman from Chicago [Mr. SABATH] was quoting prices. I made a speech the other day, comparing the farm situation of today with that of 1937. I recommend the reading of that speech to the gentleman from Illinois. It is in the RECORD of June 23. I proved in that speech that in 1937, before these nuisance agencies were begun, before subsidies and roll-backs were prescribed that the farmer was better off and that the consumer had as much to eat as he wanted. You may talk of

40-cent butter and 45-cent eggs, but the fact still remains that through the years the consumer paid 60 cents for butter and 65 cents for eggs, many times, when his earning capacity was only half what it is today, but he did not complain, and he had butter and meat and eggs three times a day. What we need is more common sense and the elimination of politics and bureaucracies and this huge spending racket. Let us try to get back to common sense, instead of trying to reach every little farmer with a check once or twice a year in the earnest hope that he will be scared enough to vote for the continuation of this thing. I am against all food subsidies. I am a farmer and I come from a long line of farmers. My roots are deep in the soil. We do not want this wheat subsidy. God knows we do not need it. I know hundreds of farmers who get milk subsidies today amounting to as much as \$100 a month, and they are really ashamed to take it. Many are refusing to accept it. They want an honest dollar. Their children do not want to pay ten times as much in taxes in the years to come. Let us get down to common decency and let people pay their bills and let us get somewhere. Our children will pay a dime for every penny we waste today.

The SPEAKER. The time of the gentleman has expired.

Is there objection to the request of the gentleman from Kentucky [Mr. SPENCE]?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the amount of funds authorized to be expended by Commodity Credit Corporation pursuant to section 3 of the act of April 12, 1945 (Public Law 30, 79th Cong.), shall be increased by such amounts as may from time to time be determined by the Secretary of Agriculture as follows: (1) Not to exceed with respect to livestock and livestock products, \$595,000,000; (2) not to exceed with respect to wheat and wheat products, \$190,000,000; and (3) not to exceed with respect to butterfat and butter, \$100,000,000: *Provided*, That the amounts authorized to be expended pursuant to section 1 of the act of June 23, 1945 (Public Law 88, 79th Cong.), for subsidy payments on meat, butter, and flour shall be reduced correspondingly.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ELECTION CONTEST—HICKS AGAINST DONDERO

The SPEAKER laid before the House the following communication from the Clerk of the House, which was read by the Clerk and referred to the Committee on Elections No. 3, and ordered to be printed:

JULY 20, 1945.

The honorable the SPEAKER,
House of Representatives.

SIR: From John W. L. Hicks, of Detroit, Mich., in the Seventeenth Congressional District thereof, the Clerk has received two packets of material which the said Hicks proposes as a record in what appears to be an attempt to contest the seat of the returned Member. These packets were not addressed to the Clerk in the manner provided by law nor was the record adduced in the manner contemplated by the provisions of the statutes.

There has also been received in this office a motion of the returned Member, Hon. GEORGE A. DONDERO, to dismiss this attempted action, as well as an affidavit by the said Hicks in opposition to this motion.

Since this action has not proceeded in accordance with the provisions of the statutes, the Clerk is transmitting all of the material received in this matter to the House for its disposition.

Very truly yours,

SOUTH TRIMBLE,

Clerk of the House of Representatives.

HON. FRED M. VINSON TO BE SWORN IN AT THE CAPITOL AS SECRETARY OF THE TREASURY

The SPEAKER. The gentleman from North Carolina [Mr. DOUGHTON] is recognized.

Mr. DOUGHTON of North Carolina. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. DOUGHTON of North Carolina. Mr. Speaker, we are all aware of the fact that Judge Fred M. Vinson, a former very able Member of the House and of the Committee on Ways and Means, has recently been appointed Secretary of the Treasury.

At the suggestion of Speaker RAYBURN and myself he has agreed to take the oath of office in the Ways and Means Committee room in the New House Office Building next Monday morning at 10:30. It will be an open meeting and everyone is invited who wishes to attend, and I assume that every Member of the House who is in the city will wish to be present.

During my service of 35 years in Congress no appointment made by any Executive has been more pleasing to me, I am sure, nor more reassuring to the country. I congratulate Judge Vinson and the country on his appointment.

EXTENSION OF REMARKS

Mr. ROMULO. Mr. Speaker, I ask unanimous consent to insert in the RECORD the statement I made before the United Nations Conference in San Francisco. It exceeds the limit established by the Joint Committee on Printing and I am advised by the Public Printer that the cost will be \$298.

The SPEAKER. Notwithstanding the cost, without objection, the extension may be made.

There was no objection.

Mr. LUDLOW asked and was given permission to extend his remarks in two instances, in one to include a letter and in the other the text of a resolution and a statement in reference thereto.

Mr. MILLER of California asked and was given permission to extend his remarks in the Appendix and include a statement.

Mr. RYTER asked and was given permission to extend his remarks in the Appendix of the RECORD and include a memorial addressed to the President of the United States.

Mr. ERVIN asked and was given permission to extend his remarks in the Appendix and include an editorial from the Charlotte Observer of Charlotte, N. C.

Mr. ERVIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and

to include therein a part of the testimony of Mr. R. C. Kidd before the Committee on World War Veterans' Legislation on the subject of the difficulty of obtaining supplies for the Veterans' Administration.

This exceeds the limit established by the Joint Committee on Printing and I am advised by the Public Printer that the cost of printing will be \$182. In view, however, of the public interest in the matter, I ask that the extension may be made notwithstanding the cost.

The SPEAKER. Notwithstanding the cost, and without objection, the extension may be made.

There was no objection.

Mr. ROE of Maryland asked and was given permission to extend his remarks in the RECORD and include an editorial from the Metropolitan News of West Hartford, Conn.

Mr. MANSFIELD of Montana asked and was given permission to extend his remarks in the Appendix and include an article from the Montana Standard, of Butte, Mont., of Monday, July 16, 1945.

Mr. JENKINS asked and was given permission to extend his remarks in the RECORD and include therein a letter from one of his constituents.

PERMISSION TO ADDRESS THE HOUSE

Mr. LATHAM. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes today at the conclusion of the legislative business for the day and other special orders.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

MISTREATMENT OF PATIENTS AT ST. ELIZABETHS HOSPITAL

Mr. GRANT of Indiana. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

THE NAVY SHOULD GET OUT OF ST. ELIZABETHS

Mr. GRANT of Indiana. Mr. Speaker, the newspapers this morning carried one of the most disturbing and distressing stories I have read for a long time, the story of a young sailor who was found dead at St. Elizabeths Hospital, apparently the result of heavy blows inflicted on his body while he was a mental patient in the institution, a casualty of this war.

The Navy Department and the Committee on Naval Affairs of this House will be derelict in their duty if they leave one stone unturned in getting at the bottom of this situation.

I do not know that anybody in a position of authority is guilty of wrong doing, but I do say that the facilities at that hospital are so overtaxed that the Navy should get out of St. Elizabeths.

Let me cite you the case of a young naval officer, a mental casualty of the Normandy invasion, who was a Navy patient at St. Elizabeths a few weeks ago. While well on the road to recovery from his mental fatigue, he suffered an acute

attack of appendicitis. Who performed the emergency operation? A Navy Surgeon? No. The Navy had a contract with a civilian surgeon downtown, and that young naval officer waited 3 hours in the operating room while they tried to find the civilian surgeon downtown to bring him out to perform this emergency operation. This surgeon is a man of good repute, but such arrangements for the care of our Navy personnel is a mighty poor way to discharge our responsibilities to these young men, the casualties of this war. They are deserving of better treatment than that.

We have an excellent naval medical center just north of the District in Bethesda to treat injuries to body and limb. We should have an equal or even greater obligation to those unfortunate men who have been the mental casualties of the war. They must not become our forgotten men.

Again, I repeat, both the Navy Department and the Naval Affairs Committee, of which I am privileged to be a member, must get to the bottom of this whole story. But, whatever may be the conclusions reached in the instant case, the Navy should get out of St. Elizabeths.

The SPEAKER. The time of the gentleman from Indiana has expired.

EXTENSION OF REMARKS

Mr. TALLE asked and was given permission to extend his remarks in the RECORD and to include a newspaper article.

Mr. HORAN (at the request of Mr. MICHENER) was given permission to extend his remarks in the RECORD and to include therein a letter.

PERMISSION TO ADDRESS THE HOUSE

Mr. DE LACY. Mr. Speaker, I ask unanimous consent to address the House today for 5 minutes after any special orders heretofore entered.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

SCIENTIFIC RESEARCH

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. RANDOLPH. Mr. Speaker, Senator MAGNUSON, of Washington, has presented in the other body 1285, which is legislation proposing to put into effect the recommendations of Dr. Vannevar Bush and others who believe that the time is now, not later, for this Government to formulate a scientific research program for America.

I have introduced similar legislation in the House, H. R. 3860. It is my understanding that the gentleman from Arkansas, Representative MILLS, has also offered a like bill. It is a comprehensive approach to a vital problem that I had attempted to help solve many years ago. I call the attention of my colleagues to the fact that in 1936 I presented a bill to establish a scientific research commission. The proposal was reintroduced in succeeding Congresses.

In 1937 hearings were held on the measure by a subcommittee of the Interstate and Foreign Commerce Committee.

Mr. Speaker, in January 1937, I said in a Nation-wide radio speech, in support of my measure, that "if passed, this bill will provide the foundation for an intensive research program from which new industrial and commercial developments may spring. As these developments appear, new and profitable outlets for capital will be provided, as well as new and better jobs for millions of workers."

It shall be my purpose, when the House reconvenes in October, to discuss fully this subject and its relationship to the continued advancement of our people and our own Nation.

The SPEAKER. The time of the gentleman from West Virginia has expired.

SUGAR SHORTAGE

Mr. FLOOD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FLOOD. Mr. Speaker, much has been said in this Hall and much has been written in the press about the sugar problem and the sugar shortage. Possibly there has been a maldistribution of sugar, with special reference to the canning season. We all understand and fully appreciate the problems and difficulties surrounding this situation.

Mr. Speaker, I would like to point out that there seems to be in certain sections of Pennsylvania, especially in my county, and in the hard-coal fields, a discrimination in the amount of the poundage of sugar given for canning purposes. The surrounding counties and surrounding areas, either with State or national approval, have been getting much larger amounts than those allocated to my district at this time. In this area from which I come, and which I have the honor of representing in this Congress, the people depend to a certain extent on canning for their food during the winter months, and I think that the OPA, the State, and the district offices, as well as the National office here, should take pains to see that the regulations, which, in effect, amounts to discrimination, are not permitted to continue upon their books.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

EXTENSION OF REMARKS

Mr. SABATH asked and was given permission to extend his remarks in the RECORD and include an editorial and an article.

Mr. MORRISON asked and was given permission to extend his remarks in the RECORD.

Mr. RANKIN asked and was given permission to extend his remarks in the RECORD and include letters from overseas veterans.

PERMISSION TO ADDRESS THE HOUSE

Mr. SABATH. Mr. Speaker, I ask unanimous consent that today, following any special orders heretofore entered, I

may be permitted to address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

AMENDING VETERANS REGULATIONS

Mr. RANKIN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 3644) to amend the Veterans Regulations to provide additional rates of compensation or pension and remedy inequalities as to specific service-incurred disabilities in excess of total disability.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

Mr. MICHENER. Mr. Speaker, reserving the right to object, will the gentleman explain what this bill is and the emergency character of it?

Mr. RANKIN. Yes; I will be glad to. May I say to the gentleman from Michigan that this bill provides for additional assistance to veterans with double amputation disabilities. A bill has been introduced at the other end of the Capitol that is considerably more liberal, as I understand, than the measure before the House.

It restores to these double amputees the compensation that they were getting prior to the economy bill and also provides additional compensation, as I will try to explain as I go along, or as is explained in a letter to the Speaker of the House written by the Veterans' Administration. I will say to the gentleman from Michigan that this bill was approved unanimously by the Committee on World War Veterans' Legislation; it has the approval of the Veterans' Administration as well as the approval of the Bureau of the Budget.

In a letter to the Speaker of the House, General Hines goes on to state that—

The rates of compensation payable to veterans of World War I under Public Law 141, Seventy-third Congress, March 26, 1934, which reenacted, with limitations, certain provisions of the World War Veterans' Act, 1924, as amended, which had been repealed by the Economy Act (Public Law 2, 73d Cong.) are the rates (or 75 percent of the rates if the disability is connected with service by virtue of statutory presumptions) provided by the World War Veterans' Act, 1924, as amended.

The rates are governed by part 1, paragraph II, subparagraphs (k) to (o), Veterans Regulation No. 1 (a).

Now, then, these changes are made in order to give the veterans benefits which I shall try to explain to the membership of the House. In the first place, it takes away the inequalities that existed between veterans of World War I and veterans of World War II. In addition to that, the letter goes on to say:

Aside from the inequalities which exist as between World War I and World War II veterans by reason of the rates for specific service-incurred disabilities under existing law, particularly as affecting blind veterans, no differentiation is made in the rates for specific disabilities under Veterans Regulation No. 1 (a), as amended, among double amputations at various levels. For example, the blinded War I veteran receives generally \$215 per month with a minimum requirement of

5/200ths visual acuity. The World War II veteran receives only \$190 with a minimum requirement of light perception only. Further, a World War I veteran receives \$35 per month for loss or loss of use of hand or foot in addition to any other rate, with \$300 as the maximum amount.

The World War II veteran receives this additional allotment of \$35 per month only when the basic pension is between \$11.50 and \$115 per month, with \$265 as the maximum amount.

Mr. ROBSION of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. Perhaps the gentleman has seen the story in the press stating that Sgt. Frank Hansel is the only veteran of this war who in combat has lost both legs and both hands. I am wondering how the gentleman could say that the limit would be \$300. I notice that this veteran's compensation will be \$265. I am wondering what this bill will do for a veteran like him. He comes from my district and, of course, I am very much interested in him as well as in all other veterans.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Massachusetts.

Mrs. ROGERS of Massachusetts. Under this bill he would receive \$300. I think the Senate will probably add to these rates. This bill was reported out in order to help these amputees who have given so much for us. I think the Senate will add to certain rates. There are certain rates that have not been considered here and that will be considered over there. The important thing is to get a bill through so that some of the men can be given more immediately. These men go home and in many instances they cannot wear their prostheses. In talking with the men at the hospital, you will find that to them it just means the difference, in the cases that are raised, of their being able to live and get along and have someone to care for them.

Mr. RANKIN. May I say to the gentleman from Kentucky also that this bill provides for individuals who have lost one arm and one leg, or one eye and one arm, or one eye and one leg. They are considered double disabilities. I could go ahead and read the rate schedule in here, but, as I said a moment ago, we are trying to wipe out the differentials that now exist in the payments to World War II veterans and those to World War I veterans for the same disabilities. I am sure there will be no objection to the bill.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Illinois.

Mr. SABATH. The bill, then, is merely to equalize the benefits and help out the ex-servicemen?

Mr. RANKIN. It is more of an equalization bill than it is an increase in compensation.

Mr. SABATH. Does that include also the matter in which the gentleman from Massachusetts was so much in-

terested, as to taking care of the amputees?

Mr. RANKIN. Those are the ones to whom this bill applies.

Mrs. ROGERS of Massachusetts. If the gentleman will yield, may I say that even this does not equalize the rates as between World War I veterans and World War II veterans, but the committee felt that the Senate would equalize those rates when the bill got over there. We had to act quickly, as the House is adjourning. We have confidence that the Senate will do that. My bill that I had hoped would pass had higher rates of compensation.

Mr. ROBSION of Kentucky. If action in the Senate is deferred, that would put the legislation over until October. Could an amendment be offered in the Senate and the bill acted on here before we adjourn?

Mrs. ROGERS of Massachusetts. My belief is that the Senate will act before we adjourn.

Mr. BRADLEY of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Pennsylvania.

Mr. BRADLEY of Pennsylvania. Will it be possible to include as an amendment in the House the provisions that will be necessary?

Mr. RANKIN. I have been recognized with the understanding that the bill will be accepted as it is. I do not want to take any advantage of the leadership. I have asked for this in order to do what I think is a great measure of justice to these men who have suffered the greatest disability in the war, short of losing their lives.

Mr. CUNNINGHAM. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Iowa, a member of the committee.

Mr. CUNNINGHAM. As I understand, the bill now before us has the approval of the Bureau of the Budget?

Mr. RANKIN. That is right.

Mr. CUNNINGHAM. It was the belief of many on the committee, including the gentleman from Massachusetts and the chairman, that we should do more for the amputees, but it was felt that at this late hour no other bill had any chance of getting through. It is better to have this bill passed as it is, although it is not enough for the amputees, and we recognize that fact, it is better to have it go through now and have it become law at once, because the need is urgent that they get some extra money at the present time. Is that correct?

Mr. RANKIN. Yes; and we will be back here in September or October.

Mr. CUNNINGHAM. We can increase it then?

Mr. RANKIN. We can increase it then, if necessary.

Mr. SABATH. I wish to say I am extremely anxious to do everything I can in my power to help these most deserving men. We cannot do too much for them.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that the bill, the report, and the letter to the Speaker be printed in the Record at this point.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The matter referred to follows:

A bill to amend the Veterans Regulations to provide additional rates of compensation or pension and remedy inequalities as to specific service-incurred disabilities in excess of total disability

Be it enacted, etc., That subparagraphs (k) to (o) of paragraph II, part I, Veterans Regulation No. 1 (a), as amended, are hereby amended, and two new paragraphs (p) and (q) added to said paragraph II, to read as follows:

"(k) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss or loss of use of one foot, or one hand, or blindness of one eye, having only light perception, the rate of pension provided in part I, paragraph II, subparagraphs (a) to (j) shall be increased by \$35 per month; and in the event of anatomical loss or loss of use of one foot, or one hand, or blindness of one eye, having only light perception, in addition to the requirement for any of the rates specified in subparagraphs (l) to (o), inclusive, of part I, paragraph II, as herein amended, the rate of pension shall be increased by \$35 per month for each such loss or loss of use but in no event to exceed \$300 per month.

"(l) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss, or loss of use of both hands, or both feet, or of one hand and one foot, or is blind in both eyes, with 5/200 visual acuity or less, or is permanently bedridden or so helpless as to be in need of regular aid and attendance, the monthly pension shall be \$165.

"(m) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss or loss of use of two extremities at a level, or with complications, preventing natural elbow or knee action with prosthesis in place, the monthly pension shall be \$200.

"(n) If the disabled person, as the result of service-incurred disability, has suffered blindness in both eyes, rendering him so helpless as to be in need of regular aid and attendance, the monthly pension shall be \$215.

"(o) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss of two extremities so near the shoulder or hip as to prevent the use of a prosthetic appliance or has suffered the anatomical loss of both eyes, the monthly pension shall be \$235.

"(p) If the disabled person, as the result of service-incurred disability, has suffered disability under conditions which would entitle him to two or more of the rates provided in one or more of the subparagraphs (l) to (o), inclusive, of part I, paragraph II of this regulation, no condition being considered twice in the determination, or has suffered total deafness in combination with total blindness with 5/200 visual acuity or less, the monthly pension shall be \$300.

"(q) In the event the disabled person's service-incurred disabilities exceed the requirements for any of the rates prescribed herein, the Administrator, in his discretion, may allow the next higher rate or an intermediate rate, but in no event in excess of \$300."

SEC. 2. Subparagraphs (k) to (o) of paragraph II, part II, Veterans Regulation No. 1 (a), as amended, are hereby amended, and two new subparagraphs (p) and (q) are added to said paragraph II, to read as follows:

"(k) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss or loss of use of one foot, or one hand, or blindness of one eye, having only light perception, the rate of pension provided in part II, paragraph II, subparagraphs (a) to (j) shall be increased by \$26.25

per month; and in the event of anatomical loss or loss of use of one foot, or one hand, or blindness of one eye, having only light perception, in addition to the requirement for any of the rates specified in subparagraphs (l) to (o), inclusive, of part II, paragraph II, as herein amended, the rate of pension shall be increased by \$26.25 per month for each such loss or loss of use, but in no event to exceed \$225 per month.

"(l) If the disabled person, as the result of service-incurred disability has suffered the anatomical loss, or loss of use of both hands, or both feet, or of one hand and one foot, or is blind in both eyes, with 5/200 visual acuity or less, or is permanently bedridden or so helpless as to be in need of regular aid and attendance, the monthly pension shall be \$123.75.

"(m) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss or loss of use of two extremities at a level, or with complications, preventing natural elbow or knee action with prosthesis in place, the monthly pension shall be \$150.

"(n) If the disabled person, as the result of service-incurred disability, has suffered blindness in both eyes, rendering him so helpless as to be in need of regular aid and attendance, the monthly pension shall be \$161.25.

"(o) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss of two extremities so near the shoulder or hip as to prevent the use of a prosthetic appliance or has suffered the anatomical loss of both eyes, the monthly pension shall be \$176.25.

"(p) If the disabled person, as the result of service-incurred disability, has suffered disability under conditions which would entitle him to two or more of the rates provided in one or more of the subparagraphs (l) to (o), inclusive, of part II, paragraph II of this regulation, no condition being considered twice in the determination, or has suffered total deafness in combination with total blindness with 5/200 visual acuity or less, the monthly pension shall be \$225.

"(q) In the event the disabled person's service-incurred disabilities exceed the requirements for any of the rates prescribed herein, the Administrator, in his discretion, may allow the next higher rate or an intermediate rate, but in no event in excess of \$225."

SEC. 3. The increased rates provided by this act shall be effective from the first day of the first month following the passage of this act, and shall be deemed to include the 15 percent increase in the rate of compensation or pension payable for service-incurred disability under section 1, Public Law 312, Seventy-eighth Congress, May 27, 1944, or Public Law 469, Seventy-eighth Congress, December 7, 1944.

INCREASING THE RATES OF COMPENSATION OR PENSION FOR SERVICE-INCURRED DISABILITIES IN EXCESS OF TOTAL DISABILITY

Mr. RANKIN, from the Committee on World War Veterans' Legislation, submitted the following report:

The Committee on World War Veterans' Legislation, to whom was referred the bill (H. R. 3644) to amend the Veterans Regulations to provide additional rates of compensation or pension and remedy inequalities as to specific service-incurred disabilities in excess of total disability, having considered the same, report favorably thereon, with the following amendments and recommend that the bill as so amended do pass:

Page 2, line 9, before the word "but", insert "for each such loss or loss of use."

Page 4, line 10, before the word "but", insert "for each such loss or loss of use."

The above amendments are for the purpose of clarification in accordance with the intent of the particular subparagraphs.

HISTORICAL BACKGROUND OF BILL

Your committee has considered a large number of bills pending before it and determined that action should be taken to insure rates of pension in World War II seriously disabled cases more comparable with those of World War I and to make other desirable changes in World War II service connected specific rates for the most severe disabilities, in order to remove injustices.

The bill (H. R. 3644) reported herein, except for the clarifying amendments, above stated, is identical with the draft of proposed legislation accompanying the letter from the Administrator of Veterans' Affairs to the Speaker, House of Representatives, dated July 19, 1945, set forth in this report.

This bill is recommended by the Veterans' Administration with the approval of the Bureau of the Budget.

EXPLANATION OF THE BILL

Veterans Regulation 1 (a), part I, paragraph II, as amended, would be amended to provide pension for specific war service incurred disabilities on a parity with the rates of compensation payable for similar disabilities to World War I veterans under the World War Veterans' Act, 1924, as amended. There would be removed certain inequalities which now exist, particularly as between veterans of World War I and II. The bill recognizes the great difference existing between double amputations at various levels, and provides a more flexible scale for the authorization of monetary benefits to the most severely disabled veterans.

In order to preserve uniformity, the bill amends part II, paragraph II, of Veterans Regulation No. 1 (a), as amended, to adjust the peacetime service-connected rates for similar disabilities to the recognized 75-percent ratio to war service connected rates.

A more detailed explanation of the effects of the bill is contained in the aforementioned letter from the Administrator of Veterans' Affairs which follows:

JULY 19, 1945.

HON. SAM RAYBURN,

The Speaker's Rooms,
House of Representatives,
Washington, D. C.

MY DEAR MR. SPEAKER: There are forwarded herewith two copies of a draft of a proposed bill entitled "A bill to amend the Veterans Regulations to provide additional rates of compensation or pension and remedy inequalities as to specific service-incurred disabilities in excess of total disability," with the request that same be introduced and referred to the appropriate committee for consideration.

The proposed legislation would provide rates of pension for specific service-incurred disabilities under Veterans Regulation No. 1 (a), as amended, on a parity with the rates of compensation payable for similar disabilities under the World War Veterans' Act, 1924, as amended, and remove certain inequalities which now exist, particularly as between veterans of World War I and World War II. It would also recognize the great difference existing between double amputations at various levels, and provide a more flexible scale for the authorization of monetary benefits to the most severely disabled veterans.

The rates of compensation payable to veterans of World War I under Public Law 141, Seventy-third Congress, March 28, 1934, which reenacted, with limitations, certain provisions of the World War Veterans' Act, 1924, as amended, which had been repealed by the Economy Act (Public Law 2, 73d Cong.) are the rates (or 75 percent of the rates if the disability is connected with service by virtue of statutory presumptions) provided by the World War Veterans' Act, 1924, as amended. The rates of pension payable for specific service-incurred disabilities to persons who meet the requirements of Public Law 2, Seventy-third Congress, March 20,

1933, as amended, are governed by part I, paragraph II, subparagraphs (k) to (o), Veterans Regulation No. 1 (a), as amended, with request to veterans of the Spanish-American War, including the Philippine Insurrection and Boxer Rebellion, World War I, and World War II, and by part II, paragraph II, subparagraphs (k) to (o) for persons who served in active military or naval service on or after April 21, 1898, in time of peace. The rates provided for peacetime service under part II of the Regulation are approximately 75 percent of the rates provided for wartime service under part I.

The rates of pension for wartime service under part I of Veterans Regulation No. 1 (a), as amended, have since been extended to persons entitled to pension for service-incurred disabilities under the general pension law (Civil War and Indian War veterans) and to persons whose disabilities resulted from extraordinary peacetime service, and who are eligible for pension under the general pension law or part II, Veterans Regulation No. 1 (a), as amended. Likewise, the rates of pension for peacetime service incurred disabilities under part II of the regulation have been extended to persons who served in time of peace prior to April 21, 1898, who are entitled to pension under the general pension law. Thus it will be noted that numerous groups are affected by the rates provided in part I and part II of Veterans Regulation No. 1 (a), as amended.

Aside from the inequalities which exist as between World War I and World War II veterans by reason of the rates for specific service-incurred disabilities under existing law, particularly as affecting blind veterans, no differentiation is made in the rates for specific disabilities under Veterans Regulation No. 1 (a), as amended, among double amputations at various levels. For example, the blinded World War I veteran receives generally \$215 per month with a minimum requirement of 5/200 visual acuity. The World War II veteran receives only \$190, with a minimum requirement of light perception only. Further, a World War I veteran receives \$35 per month for loss or loss of use of hand or foot in addition to any other rate, with \$300 as the maximum amount. The World War II veteran receives this additional allowance of \$35 per month only when the basic pension is between \$11.50 and \$115 per month, with \$365 as the maximum amount.

The bill would continue the existing requirement of blindness of one eye, with only light perception for the \$35 additional monthly rate, but would provide specific rates for three grades of blindness (1) with 5/200 visual acuity or less; (2) requiring regular aid and attendance; and (3) anatomical loss, at \$165, \$215, and \$235 per month, respectively. The first two grades of blindness correspond with provisions of the World War Veterans' Act, 1924, as amended, and the third, which is total darkness, is a new, higher, rate.

Whereas previously no allowance has been made for blindness of one eye, having only light perception, in addition to the loss of two or three extremities, it is intended under this bill, if enacted, to allow an additional \$35 per month for this condition; thus the loss of use of both hands, one foot, and one eye, to light perception, will be compensated at \$165, plus two allowances of \$35 each, or \$235 per month, under the second part of subparagraph (k).

The maximum rate, as a result of including helplessness as one of the entitling multiple disabilities, is intended to cover, in addition to obvious losses and blindness, transverse myelitis with loss of use of both legs and loss of anal and bladder sphincter control, generally resulting from severance of the spinal cord in action or incident to airplane or motorized military equipment crashes; also the loss of use of two extremities with near blindness and absolute deafness, or with se-

vere multiple injuries outside the useless extremities, these conditions being construed as loss of use of two extremities and helplessness.

It is deemed necessary, in the interests of veterans whose disabilities exceed the requirements for any specific rate, to vest authority in the Administrator, in his discretion, to allow the next higher or an intermediate rate in such cases.

As enactment of the proposed legislation will fulfill an urgent need and serve a beneficial and equitable purpose, it is desirable that this legislation be secured at the earliest possible date.

Advice has been received from the Bureau of the Budget that there would be no objection by that office to the submission of this proposed legislation to the Congress for its consideration.

Very truly yours,

FRANK T. HINES,
Administrator.

RAMSEYER RULE

In accordance with the provisions of clause 2a, rule XIII, of the Rules of the House of Representatives, the changes in the present law made by sections 1 and 2 of the bill are shown as follows (existing law proposed to be omitted is in black brackets; new matter is in italics; existing law in which no changes are proposed is shown in roman):

"That subparagraphs (k) to (o) of paragraph II, part I, Veterans Regulation No. 1 (a), as amended, are hereby amended, and two new subparagraphs (p) and (q) added to said paragraph II, to read as follows:

"(k) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss or [the] loss of [the] use of [only] one foot, or one hand, or blindness of one eye, having only light perception, the rate of pension provided in part I, paragraph II, subparagraphs (a) to (j) [] shall be increased by \$35 per month; and in the event of anatomical loss or loss of use of one foot, or one hand, or blindness of one eye, having only light perception, in addition to the requirement for any of the rates specified in subparagraphs (l) to (o), inclusive, of part I, paragraph II, as herein amended, the rate of pension shall be increased by \$35 per month for each such loss or loss of use but in no event to exceed \$300 per month.

"(l) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss, or loss of use of both hands, or [of] both feet, or of one hand and one foot, or is blind in both eyes, with 5/200 visual acuity or less, or is permanently bedridden or [is] so helpless as to be in need of regular aid and attendance, the monthly pension shall be [\$150] \$165.

"(m) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss or loss of use of [both hands and one foot, or of both feet and one hand, or if the disabled person as the result of service-incurred disability is blind in both eyes, having only light perception] two extremities at a level, or with complications, preventing natural elbow or knee action with prosthesis in place, the monthly pension shall be [\$175] \$200.

"(n) If the disabled person, as the result of service-incurred disability [is blind], has suffered blindness in both eyes, [having only light perception, and has suffered the anatomical loss or loss of use of one hand or of one foot] rendering him so helpless as to be in need of regular aid and attendance, the monthly pension shall be [\$200] \$215.

"(o) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss [or loss of use as provided in subparagraph (l) to (n), inclusive, of part I, paragraph II of this regulation, and/or blindness in both eyes, having only light perception, which conditions under subparagraphs (l) to (n), inclusive, entitle

him to two or more of the rates provided in these subparagraphs, no specified condition being considered twice in the determination.] of two extremities so near the shoulder or hip as to prevent the use of a prosthetic appliance or has suffered the anatomical loss of both eyes, the monthly pension shall be [\$250.00] \$235.

"(p) If the disabled person, as the result of service-incurred disability, has suffered disability under conditions which would entitle him to two or more of the rates provided in one or more of the subparagraphs (l) to (o), inclusive, of part I, paragraph II of this regulation, no condition being considered twice in the determination, or has suffered total deafness in combination with total blindness with 5/200 visual acuity or less, the monthly pension shall be \$300.

"(q) In the event the disabled person's service-incurred disabilities exceed the requirements for any of the rates prescribed herein, the Administrator, in his discretion, may allow the next higher rate or an intermediate rate, but in no event in excess of \$300."

"SEC. 2. Subparagraphs (k) to (o) of paragraph II, part II, Veterans Regulation No. 1 (a), as amended, are hereby amended, and two new subparagraphs (p) and (q) are added to said paragraph II, to read as follows:

"(k) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss or [the] loss of [the] use of [only] one foot, or one hand, or blindness of one eye, having only light perception, the rate of pension provided in part II, paragraph II, subparagraphs (a) to (j) [] shall be increased by \$26.25 per month; and in the event of anatomical loss or loss of use of one foot, or one hand, or blindness of one eye, having only light perception, in addition to the requirement for any of the rates specified in subparagraphs (l) to (o), inclusive, of part II, paragraph II, as herein amended, the rate of pension shall be increased by \$26.25 per month for each such loss or loss of use but in no event to exceed \$225 per month.

"(l) If the disabled person, as the result of service-incurred disability [] has suffered the anatomical loss, or loss of use of both hands or [of] both feet, or of one hand and one foot, or is blind in both eyes, with 5/200 visual acuity or less, or is permanently bedridden or [is] so helpless as to be in need of regular aid and attendance, the monthly pension shall be [\$75.00] \$123.75.

"(m) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss or loss of use of [both hands and one foot, or of both feet and one hand, or if the disabled person, as the result of service-incurred disability, is blind in both eyes, having only light perception] two extremities at a level, or with complications, preventing natural elbow or knee action with prosthesis in place, the monthly pension shall be [\$87.00] \$150.

"(n) If the disabled person, as the result of service-incurred disability, [is blind] has suffered blindness in both eyes, [having only light perception, and has suffered the anatomical loss or loss of use of one hand or of one foot] rendering him so helpless as to be in need of regular aid and attendance, the monthly pension shall be [\$100.00] \$161.25.

"(o) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss [or loss of use as provided in subparagraph (l) to (n), inclusive, of part II, paragraph II, of this regulation, and/or blindness in both eyes, having only light perception, which conditions under subparagraphs (l) to (n), inclusive, entitle him to two or more of the rates provided in those subparagraphs, no specified condition being considered twice in the determination.] of two extremities so near the shoulder or hip as to prevent the use of a

prosthetic appliance or has suffered the anatomical loss of both eyes, the monthly pension shall be \$125.00; \$176.25.

"(p) If the disabled person, as the result of service-incurred disability, has suffered disability under conditions which would entitle him to two or more of the rates provided in one or more of the subparagraphs (l) to (o), inclusive, of part II, paragraph II of this regulation, no condition being considered twice in the determination, or has suffered total deafness in combination with total blindness with 5/200 visual acuity or less, the monthly pension shall be \$225.

"(q) In the event the disabled person's service-incurred disabilities exceed the requirements for any of the rates prescribed herein, the Administrator, in his discretion, may allow the next higher rate or an intermediate rate but in no event in excess of \$225."

Mr. RAMSPECK. Mr. Speaker, will the gentleman yield for a question?

Mr. RANKIN. Yes.

Mr. RAMSPECK. I notice in paragraph (n), page 2, and paragraph (o) on page 3, there is a different rate which applies to a person who has lost both eyes. I wonder if that is a contradiction. I presume there is some explanation for it which does not occur to me at the moment. One rate is \$215 and the other rate is \$235.

Mr. RANKIN. One rate applies where the man suffers blindness in both eyes. That is the first paragraph. The other one is where he suffers a double disability, the loss of two extremities. In other words, he may have lost one arm and one leg.

Mr. RAMSPECK. It also says for the loss of both eyes. That is in line 5, page 3. I wonder if that would complicate the situation. Which rate would a man get for the loss of both eyes?

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield.

Mrs. ROGERS of Massachusetts. I believe I can explain that in this way. It does not seem to me, so far as the rating schedule of the Bureau is concerned, that this recommendation is logical. They recommend a certain sum for the loss of sight, but for the anatomical loss, that is, when the eyes are destroyed and the eyes are out, they recommend a greater sum. Of course the man is blind in either instance.

Mr. RAMSPECK. Of course, if the man still has his eyes but cannot see, he gets \$215 a month, and if he actually loses his eyes physically, then he would get a higher rate?

Mrs. ROGERS of Massachusetts. Yes.

Mr. RANKIN. The last paragraph applies where the eyes are entirely gone, and the other applies where he is in such bad condition that he has to have an attendant or has to have help, and where there is a possibility of regaining his sight.

Mrs. ROGERS of Massachusetts. The Bureau has recommended a higher rate of compensation for various of these items. The time was short, and it is necessary to get it over to the Senate in order to have the Senate act on the higher rates.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

Mr. MICHENER. Further reserving the right to object, the debate here has demonstrated fully that this is not the best way to pass legislation of this kind. I hope that this legislation will not be another venture in futility. Veterans' bills have the sympathy of everyone. We all want to do something for the veteran. Oftentimes, when we legislate as we are legislating here, we sometimes really do more injury than good. Of course, I am not going to object, and I cannot conceive of anyone who would have the temerity to object. But I do hope when Congress reconvenes that the distinguished members of the Committee on World War Veterans' Legislation will give heed to what is happening now. Bring in your bills in the usual way, and in time, so that we may all read the bill and so that amendments may be offered and mature consideration given. Thus the bill will express what all the Members of the House want it to express.

Mr. Speaker, I withdraw my reservation of objection.

Mr. RANKIN. Let me say to the gentleman from Michigan that if I had my way Congress would stay here and we would bring in, not only this bill, but other veterans' bills pending before my committee that are necessary to take care of our returning servicemen. But we felt that this bill was so vitally necessary, owing to the condition of these wounded men, that it ought to be passed at this time.

Mr. MICHENER. I think the gentleman is right. But what I am calling attention to is the fact that his committee has been in session right along and this bill was not reported out, I believe, until after the resolution of adjournment had passed the House.

Mr. RANKIN. I did not vote for the resolution of adjournment. I am in favor of Congress remaining in session.

Mr. KEARNEY. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from New York.

Mr. KEARNEY. It is also true that the Committee on World War Veterans' Legislation has also been conducting an intensive investigation of the Veterans' Administration.

Mr. RANKIN. There is not a committee in Congress that has worked harder than the Committee on World War Veterans' Legislation for the last few months. We have not only had this investigation on our hands, we have had amendments to the GI bill which the Scripps-Howard papers jumped on today. I hope I may live to see some legislation that will please Roy Howard again, especially if I have anything to do with it. I do not know what has happened to him, but he has certainly gone off the dead end in his almost daily attacks on me.

But, speaking about this legislation not being straightened out, it is in better shape than the average bill that has been passed here in the past week, and the explanations are more clear. It is simply an attempt to do justice, as far as we are justified in going, under the recommendation of the Budget and under the opportunities we have to present legislation, to those men who have suffered double disabilities in this war.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That subparagraphs (k) to (o) of paragraph II, part I, Veterans Regulation No. 1 (a), as amended, are hereby amended, and two new subparagraphs (p) and (q) added to said paragraph II, to read as follows:

"(k) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss or loss of use of one foot, or one hand, or blindness of one eye, having only light perception, the rate of pension provided in part I, paragraph II, subparagraphs (a) to (j) shall be increased by \$35 per month; and in the event of anatomical loss or loss of use of one foot, or one hand, or blindness of one eye, having only light perception, in addition to the requirement for any of the rates specified in subparagraphs (l) to (o), inclusive, of part I, paragraph II, as herein amended, the rate of pension shall be increased by \$35 per month but in no event to exceed \$300 per month.

"(l) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss, or loss of use of both hands, or both feet, or of one hand and one foot, or is blind in both eyes, with 5/200 visual acuity or less, or is permanently bedridden or so helpless as to be in need of regular aid and attendance, the monthly pension shall be \$165.

"(m) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss or loss of use of two extremities at a level, or with complications, preventing natural elbow or knee action with prosthesis in place, the monthly pension shall be \$200.

"(n) If the disabled person, as the result of service-incurred disability, has suffered blindness in both eyes, rendering him so helpless as to be in need of regular aid and attendance, the monthly pension shall be \$215.

"(o) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss of two extremities so near the shoulder or hip as to prevent the use of a prosthetic appliance or has suffered the anatomical loss of both eyes, the monthly pension shall be \$235.

"(p) If the disabled person, as the result of service-incurred disability, has suffered disability under conditions which would entitle him to two or more of the rates provided in one or more of the subparagraphs (l) to (o), inclusive, of part I, paragraph II of this regulation, no condition being considered twice in the determination, or has suffered total deafness in combination with total blindness with 5/200 visual acuity or less, the monthly pension shall be \$300.

"(q) In the event the disabled person's service-incurred disabilities exceed the requirements for any of the rates prescribed herein, the Administrator, in his discretion, may allow the next higher rate or an intermediate rate, but in no event in excess of \$300."

Sec. 2. Subparagraphs (k) to (o) of paragraph II, part II, Veterans Regulation No. 1 (a), as amended, are hereby amended, and two new subparagraphs (p) and (q) are added to said paragraph II, to read as follows:

"(k) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss or loss of use of one foot, or one hand, or blindness of one eye, having only light perception, the rate of pension provided in part II, paragraph II, subparagraphs (a) to (j) shall be increased by \$26.25 per month; and in the event of anatomical loss or loss of use of one foot, or one hand, or blindness of one eye, having only light perception, in addition to the requirement for any of the rates specified in subpara-

graphs (l) to (o), inclusive, of part II, paragraph II, as herein amended, the rate of pension shall be increased by \$26.25 per month but in no event to exceed \$225 per month.

"(l) If the disabled person, as the result of service-incurred disability has suffered the anatomical loss, or loss of use of both hands, or both feet, or of one hand and one foot, or is blind in both eyes, with 5/200 visual acuity or less, or is permanently bedridden or so helpless as to be in need of regular aid and attendance, the monthly pension shall be \$123.75.

"(m) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss or loss of use of two extremities at a level, or with complications, preventing natural elbow or knee action with prosthesis in place, the monthly pension shall be \$150.

"(n) If the disabled person, as the result of service-incurred disability, has suffered blindness in both eyes, rendering him so helpless as to be in need of regular aid and attendance, the monthly pension shall be \$161.25.

"(o) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss of two extremities so near the shoulder or hip as to prevent the use of a prosthetic appliance or has suffered the anatomical loss of both eyes, the monthly pension shall be \$176.25.

"(p) If the disabled person, as the result of service-incurred disability, has suffered disability under conditions which would entitle him to two or more of the rates provided in one or more of the subparagraphs (l) to (o), inclusive, of part II, paragraph II, of this regulation, no condition being considered twice in the determination, or has suffered total deafness in combination with total blindness with 5/200 visual acuity or less, the monthly pension shall be \$225.

"(q) In the event the disabled person's service-incurred disabilities exceed the requirements for any of the rates prescribed herein, the Administrator, in his discretion, may allow the next higher rate or an intermediate rate but in no event in excess of \$225."

Sec. 3. The increased rates provided by this act shall be effective from the first day of the first month following the passage of this act, and shall be deemed to include the 15-percent increase in the rate of compensation or pension payable for service-incurred disability under section 1, Public Law 312, Seventy-eighth Congress, May 27, 1944, or Public Law 469, Seventy-eighth Congress, December 7, 1944.

With the following committee amendments:

Page 2, line 9, after the first word "month", insert "for each such loss or loss of use."

Page 4, line 10, after the first word "month", insert "for each such loss or loss of use."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to include as part of my remarks a bill that I introduced in the House (H. R. 3818) and which was introduced in the Senate by Senator JOHNSON and Senator CAPPER, to add additional compensation; and further to include as part of my remarks a table showing the rates that the men who have lost their sight would receive and under certain spinal-cord cases, the rates paid for the loss of use of their limbs, the amount that the World War I veterans are receiving, a table containing veterans

regulation 1 (a), part 1, a copy of the so-called Rankin bill which passed this afternoon, a table which includes the amount with the exception of \$20 for the loss of a hand or arm, or leg or arm, or the loss or use thereof, in addition to the table which gives rates which are included in the bill that I introduced for the amputees and which Senator JOHNSON and Senator CAPPER introduced in the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, the rates of compensation contained in the following bill are the rates the World War veterans hope will be adopted in the Senate:

H. R. 3818

A bill to amend the Veterans Regulations to provide additional rates of compensation or pension and remedy inequalities as to specific service-incurred disabilities in excess of total disability

Be it enacted, etc., That subparagraphs (k) to (o) of paragraph II, part I, Veterans Regulation No. 1 (A), as amended, are hereby amended, and a new subparagraph (p) added to said paragraph II, to read as follows:

"(k) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss or loss of use of one foot, or one hand, or blindness of one eye, having only light perception, the rate of pension provided in part I, paragraph II, subparagraphs (a) to (j), shall be increased by \$55 per month; and in the event of anatomical loss or loss of use of one foot, or one hand, or blindness of one eye, having only light perception, in addition to the requirement for any of the rates specified in subparagraphs (l) to (o), inclusive, of part I, paragraph II, as herein amended, the rate of pension shall be increased by \$55 per month for each such loss or loss of use but in no event to exceed \$300 per month.

"(l) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss, or loss of use of both hands, or both feet, or of one hand and one foot, or is blind in both eyes, with 5/200 visual acuity or less, or is permanently bedridden or so helpless as to be in need of regular aid and attendance, the monthly pension shall be \$200.

"(m) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss or loss of use of two extremities at a level, or with complications, preventing natural elbow or knee action with prosthesis in place, or has suffered blindness in both eyes, rendering him so helpless as to be in need of regular aid and attendance, the monthly pension shall be \$235.

"(n) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss of two extremities so near the shoulder or hip as to prevent the use of a prosthetic appliance or has suffered the anatomical loss of both eyes, the monthly pension shall be \$265.

"(o) If the disabled person, as the result of service-incurred disability, has suffered disability under conditions which would entitle him to two or more of the rates provided in one or more of the subparagraphs (l) to (o), inclusive, of part I, paragraph II, of this regulation, no condition being considered twice in the determination, or has suffered total deafness in combination with total blindness with 5/200 visual acuity or less, the monthly pension shall be \$300.

"(p) In the event the disabled person's service-incurred disabilities exceed the requirements for any of the rates prescribed

herein, the Administrator, in his discretion, may allow the next higher rate or an intermediate rate, but in no event in excess of \$300."

Sec. 2. That subparagraphs (k) to (o) of paragraph II, part II, Veterans Regulation No. 1 (a), as amended, are hereby amended, and a new subparagraph (p) added to said paragraph II, to read as follows:

"(k) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss or loss of use of one foot, or one hand, or blindness of one eye, having only light perception, the rate of pension provided in part II, paragraph II, subparagraphs (a) to (j), shall be increased by \$41.25 per month; and in the event of anatomical loss or loss of use of one foot, or one hand, or blindness of one eye, having only light perception, in addition to the requirement for any of the rates specified in subparagraphs (l) to (o), inclusive, of part II, paragraph II, as herein amended, the rate of pension shall be increased by \$41.25 per month for each such loss or loss of use but in no event to exceed \$225 per month.

"(l) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss, or loss of use of both hands, or both feet, or of one hand and one foot, or is blind in both eyes, with 5/200 visual acuity or less, or is permanently bedridden or so helpless as to be in need of regular aid and attendance, the monthly pension shall be \$150.

"(m) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss or loss of use of two extremities at a level, or with complications, preventing natural elbow or knee action with prosthesis in place, or has suffered blindness in both eyes, rendering him so helpless as to be in need of regular aid and attendance, the monthly pension shall be \$176.25.

"(n) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss of two extremities so near the shoulder or hip as to prevent the use of a prosthetic appliance or has suffered the anatomical loss of both eyes, the monthly pension shall be \$198.75.

"(o) If the disabled person as the result of service-incurred disability, has suffered disability under conditions which would entitle him to two or more of the rates provided in one or more of the subparagraphs (l) to (o) inclusive, of part II, paragraph II, of this regulation, no condition being considered twice in the determination, or has suffered total deafness in combination with total blindness with 5/200 visual acuity or less, the monthly pension shall be \$225.

"(p) In the event the disabled person's service-incurred disabilities exceed the requirements for any of the rates prescribed herein, the Administrator, in his discretion, may allow the next higher rate or an intermediate rate, but in no event in excess of \$225."

Mr. Speaker, H. R. 3644, which the Committee on World War Veterans' Legislation reported unanimously to the House and which was passed by the House today, does not increase compensation rates as high as my bill, H. R. 3818. The committee felt that it was as high a rate as could be secured under the agreement that the Speaker would recognize the chairman of the committee for passage at that time.

If you will look at the following rating schedule, made up by the Veterans' Administration, you will see that under the Rankin bill there still are certain inequalities, that veterans of World War I with certain amputee disabilities or the loss of sight receive more than the veterans of World War II with similar disabilities:

	World War Veterans' Act	Veterans Regulations 1 (a), pt. I	Rankin bill ¹	Rogers bill, Senators Johnson and Capper bill ¹
• Loss 2 extremities, below knee or elbow.....	\$200	\$165	\$165	\$200
Blind 5/200 vision without attendant.....	215	115	165	200
Helpless or bedridden.....	165	165	165	200
Loss 2 extremities, above knee or elbow.....	200	165	200	235
Blindness with attendant.....	215	165	215	235
Loss 2 extremities at hip or shoulder.....	200	165	235	265
Double total, including 1 total and helpless from other pathology, including blind and deaf.....	300	300	300	300
Loss 2 extremities below knee or elbow and another extremity or eye.....	200	175	200	235
Loss 2 extremities above knee or elbow and another extremity or eye.....	200	175	235	265
Loss 2 extremities at hip or shoulder and another extremity or eye.....	200	175	270	300
Blindness and 1 extremity.....	300	165 or 175	250	265
"Traumatic myelitis".....	300	165	300	300
Loss 2 extremities and another extremity and eye.....	300	175	200, 235, 270	270 or 300

¹General Hines' approval.

The rating schedule board of the Veterans' Administration and General Hines first recommended the bill that passed this afternoon. I think they made those recommendations largely because of a visit they made at my request to the amputees at the Walter Reed Hospital. They sat down and talked to some of the amputees and talked over the degree of amputation, the degree of disability, and came back and made certain recommendations which are included in the bill just passed. I had asked General Hines if he would send some of the rating board men out there. I made that request as a result of a visit I made at the request of the Walter Reed amputees to talk over legislation, what they thought would be more adequate compensation. You cannot compensate these men but you can at least give them a little bit more to get along with, show a little more appreciation for what they have given for us.

This first proposal of General Hines was not satisfactory to the rating board, or to him and I introduced another bill, and then introduced a bill which is similar to the bill introduced by Senator JOHNSON and Senator CAPPER in the Senate, which I hope will come up for action this afternoon before the Finance Committee in the Senate and pass immediately.

The amounts that are in the bill before the Senate, and the bill that I introduced in the House, are amounts that were fairly recently recommended by the rating schedule board itself and by General Hines as being a more equitable amount to pay as compensation to the amputees. I feel very sure that the Senate will amend the bill we passed to include these amounts. The World War Veterans' Committee agrees to accept the higher rates of compensation specified in Senator JOHNSON's bill.

I bring to the House the profound thanks of these men with whom I have been working at the hospital for the passage of the bill today. They are all members of the Disabled American Veterans. They have worked steadily for the other men with similar disabilities. I know it will mean a very great deal to them. We owe to them for their interest and their painstaking study of the whole problem the fact that so much is about to be done for all of the amputees.

As you all know, they have an amazing spirit and an amazing courage. They are

not thinking just of themselves. And those who are on their way out of the hospitals and into civilian life are thinking still of others who are disabled and of how they can make this country a better place in which to live.

The SPEAKER pro tempore. The time of the gentleman from Massachusetts has expired.

COL. OVETA CULP HOBBY

Mr. THOMASON. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks and include therewith an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. THOMASON. Mr. Speaker, my colleague from Texas [Mr. THOMAS] has called attention to the fact that his distinguished constituent, Col. Oveta Culp Hobby, of Houston, Tex., and director of Women's Army Corps, has resigned. Speaking as another Texan, and I am sure for the Texas delegation and likewise all the membership of the House, and especially for the Committee on Military Affairs, I join in the high compliment that he paid this distinguished woman. I have known her since she was a girl in her teens. Her father and my good friend was a member of the Texas legislature when I was speaker. I gave her the first public job she ever held. I have watched her career with interest and pride. All Texas has rejoiced in her success. She pioneered and succeeded in an undertaking unprecedented in American military history. She and her great organization of more than 100,000 fine women, have made a contribution to the war effort that will never be forgotten by a grateful Nation. I am sure we all wish her health and happiness in all the days to come.

I can best express my feelings toward Colonel Hobby if I read a short editorial from the Washington Daily News of a few days ago:

THE LITTLE COLONEL

To Col. Oveta Culp Hobby, Women's Army Corps:

Your countrymen will remember you with gratitude and admiration. Your associates, first in the WAAC and then in the WAC, will continue to think of you with respect and affection. History will find your 4-year mission unique, for you pioneered as a director

of American servicewomen who answered the wartime call to the colors.

In this uncharted field you won signal success. Under your leadership, the women of this country contrived a new expression of patriotism, to prove themselves unsurpassed in zeal and fortitude. It is with regret that the men and women of American learn of your resignation as head of the Women's Army Corps.

As civilians, Colonel Hobby, we do not salute. But to you, a devoted commander and a lovely lady, our hats are off.

Those are my sentiments.

SECOND LT. WILLIAM J. CORDES, JR.

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include a letter.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. RAMSPECK. Mr. Speaker, about the middle of April a fine, brave young American gave his life in defense of our country while leading a platoon in the battle for Germany.

He was Second Lt. William J. Cordes, Jr., of Atlanta, whose father is one of my good friends. When death came to this brave soldier, he was demonstrating the courage and the physical endurance which have made our fighting men unbeatable.

Three times he swam a swollen river in an effort to get a guide rope across. He was well liked and respected by the men he led.

About a month before his death his last letter was written to his father. Because it informs us of what he believed he was fighting for, I think it should be of interest to all. I therefore make it a part of my remarks. My sympathy goes out to his parents and his wife, who mourn him, as do his host of friends in Atlanta.

The letter is as follows:

SOMEWHERE IN FRANCE, March 13, 1945.

DEAR POP: I'm writing you on my second anniversary in the Army. I've been lucky, but having enlisted instead of being drafted was what made things easy on me. You have my cheers and backing in any use of your influence to make this peace enforced by armed might. Please do your share, whatever it may be, to make the next peace lasting. If things look bad for the lasting peace we all want, I'm going into politics, where I can have more than one vote every 4 years.

The Rhine is not behind our armies as yet, but when it is, there will be no other natural military obstacle that our might cannot crush or flank.

Franklin D. Roosevelt's part in deciding that Germany was to be crushed first was commendable. Our secondary effort against the Japs is doing all right; and after Germany is crushed, the job of softening up Japan will have been done, and a knock-out should come soon after our full strength is employed, I think and hope.

America, I have felt for the past year or so, is losing part of the freedom endowed it, and I am not losing sight of it—war measures must be eliminated and power must be taken away as freely as it was given when the national emergency is over. Any semblance of unnecessary control must dissolve. A new administration will be the first step, and leaders who have thought in terms of war must think in terms of peace with the world. This necessitates international free trade and international competition for markets.

You are still my voice; think about my ideas. I want to get back to my wife and future. Please pay attention to the things affecting the security of Nan's and my family, and do what you can for us until I get back.

W. J. C., Jr.

ADDITIONAL COPIES OF PART 5 OF THE HEARINGS HELD BEFORE THE SPECIAL COMMITTEE ON POSTWAR ECONOMIC POLICY AND PLANNING

Mr. JARMAN. Mr. Speaker, from the Committee on Printing, I report a privileged resolution (H. Res. 330, Rept. No. 935), and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That in accordance with paragraph 3 of section 2 of the Printing Act, approved March 1, 1907, the Special Committee on Postwar Economic Policy and Planning of the House of Representatives be, and is hereby, authorized and empowered to have printed for its use 1,000 additional copies of part 5 of the hearings relative to postwar agricultural policy, held before said special committee during the second session of the Seventy-eighth Congress and the current session.

The resolution was agreed to.

A motion to reconsider was laid on the table.

FIFTH ANNUAL REPORT OF THE BOARD OF TRUSTEES OF THE FEDERAL OLD-AGE AND SURVIVORS INSURANCE TRUST FUND

Mr. JARMAN. Mr. Speaker, from the Committee on Printing, I report a privileged resolution (H. Res. 322, Rept. No. 936), and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the letter from the Board of Trustees of the Federal Old-Age and Survivors Insurance Trust Fund, transmitted to the House of Representatives on May 11, 1945, including the Fifth Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance Trust Fund, in compliance with the provisions of section 201 (b) of the Social Security Act, be printed with an illustration, as a House document.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PERMISSION TO ADDRESS THE HOUSE

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. The Chair reminds the gentlewoman that there are three other special orders.

Mrs. ROGERS of Massachusetts. Mr. Speaker, then I ask unanimous consent that I may address the House for 5 minutes following those special orders.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

The SPEAKER. Under the previous order of the House, the gentleman from California [Mr. VOORHIS] is recognized for 25 minutes.

Mr. VOORHIS of California. Mr. Speaker, if the gentlewoman from Massachusetts wishes, I shall be pleased to yield to her.

Mrs. ROGERS of Massachusetts. I thank the gentleman very much, but will wait until my name is reached in the regular order.

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix and to include a newspaper article.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

CARTELS

Mr. VOORHIS of California. Mr. Speaker, on May 21 I addressed the House at length on the subject of the imminent danger of a reconstruction of Germany's war-making power and the central place which the revival of cartels has in connection with that danger. I should like to read to the House one short paragraph from a letter written to his mother by a young American soldier from my own district who was a prisoner of the Germans. He says:

I was with a bunch sent in to try and stop the German drive in Belgium last December. We were trapped and after fighting for days without ammunition, and food getting low, our regimental commander surrendered us and we were marched up near the Yugoslav border to a prison camp. It was a dirty, filthy place, and the food was slop but we had to eat it anyway. We only stayed there 3 weeks and then we started marching again.

We were heading west this time. There was no particular place that they were taking us to. They just had to keep us out of the Red Army's way. Then our troops crossed the Rhine and they were sure in a pinch. We marched about 600 miles since last December. An awful lot of our boys died on the way. They died from starvation, dysentery, some were shot, others beaten to death.

I hope we are not going to forget what some of these American soldiers went through either at the hands of the Germans or at the hands of the Japanese. I believe that the war-making power of both those nations has got to be smashed and prevented from rising again.

On June 13 there appeared an associated press dispatch in practically all newspapers which read in part as follows:

Mass production of improved V-2 rocket bombs capable of pin-point accuracy at a range of 3,000 miles was within reach of German scientists when the European war ended, in the announced opinion of United States Army ordnance intelligence experts.

The subcommittee of the Senate Committee on Military Affairs, which is headed by the Senator from West Virginia [Mr. KILGORE] recently issued a subcommittee report—report No. 6. In this report we find the following statement:

It appears that if Germany had held out 6 months longer she would have been sending more destructive V-2 bombs to smash the heart of New York. Germany's recuperative power rests on her greatly expanded machine-tool industry, her highly developed scientific and technical facilities, and her large reserves of skilled scientists and technicians.

Again from this same Senate report we read:

The Germans, who have twice within the century launched the most devastating wars,

have already set in motion plans for a third attempt to enslave the world.

And the report continues by saying:

Germany today is better prepared to implement her plot for world conquest than she was at the end of World War I, and that one of the reasons for this is that one of her major resources consists of a world-wide network of economic and political reserves and a system of commercial interrelationships penetrating the economies of other nations.

It is about this point made in the Kilgore report and elsewhere that I wish to address the House today, for the Kilgore report also contains this alarming language:

While final figures are not yet available estimates presented to the subcommittee indicate that many of the major war industries are still intact, and given a period for repair and rehabilitation could readily attain and surpass their previous war-production level.

To bring the point yet closer home the Kilgore report makes the same major point which I made in my speech of May 21, namely, that during the period of World War II the Germans have continuously used neutral countries as a cloak and exported their assets and personnel to these neutral countries and further than that the report states, and I quote:

The United States itself may be one of the most important safe havens for German assets.

In this connection, it seems to me nothing short of alarming to read the forthright statement of the gentleman from Texas, Mr. LINDLEY BECKWORTH, in the CONGRESSIONAL RECORD of July 9, where he quotes at considerable length from the annual report of the Office of the Alien Property Custodian for the year ending June 1944. In the quotations submitted by the gentleman from Texas from this report, the Alien Property Custodian pointed out that the Hugo Stinnes Corp. and the wholly owned subsidiary, the Hugo Stinnes Industries, Inc., were incorporated in the State of Maryland in the year 1926. Further that American citizens were the principal purchasers of the notes and debentures of this corporation and that \$21,000,000 of the proceeds were paid to German banks which had claims against the Stinnes estate. The Alien Property Custodian's report further points out that 99 percent of the assets of the Hugo Stinnes Corp. are located in Germany and German-occupied countries. And then to repeat a quotation already inserted in the RECORD by the gentleman from Texas, the Alien Property Custodian's report contains these very significant words:

Payment of the American security holders in these companies, therefore, largely depends upon conditions in postwar Germany.

The gentleman from Texas [Mr. BECKWORTH], quite properly it seems to me, asked the United States Treasury to furnish him a list of American citizens owning property in Germany. This information was refused him as was information as to German and Japanese citizens owning property in the United States and information on Americans owning property in Japan.

Mr. Speaker, I believe that had the gentleman from Texas been furnished such a list as he requested, it would have been altogether proper and I further believe that one of these days the American people are going to demand that such information be made available to them.

In other words there are American citizens owning interest in German corporations of which the Stinnes Corp. is only one example, who have a vested interest in seeing the revival of Germany's war-making power. And when I say the revival of Germany's war-making power, what I am referring to is the same point made in the Senate committee report already quoted where they state:

A witness before the subcommittee who only recently interrogated some of Germany's key industrial leaders, now jailed, point out that these leaders confidently expect to be rescued from their present plight by powerful British and American friends who were their former cartel affiliates. These industrialists remain the principal custodians of Germany's plans for future war.

Again the Kilgore report states:

An elaborate memorandum prepared by I. G. Farben shows how that giant concern exploited every possible connection with the nationals of other countries.

Now, Mr. Speaker, it is well known that by the use of cartel relationships and absolutely controlled Germany industry, Hitler was able to virtually disarm the democracies by depriving them of vitally necessary war materials. This was done by the cartel agreements which limited production in the democracies. It is not necessary to recount further this story except perhaps to make one or two points with regard to it.

Shortly after I made my speech on May 21, I received a letter from a lieutenant in the American Army who told me that he had before the war been employed by a certain chemical company in the United States on a certain new process, then still in the laboratory stage. He stated that that company was most anxious that no other American company should secure this process and made an intense effort to keep it confidential. When, however, this young officer moved with his command, into a certain German city and inspected a plant owned by the Germans by the same name as the American concern for which he had worked, he found it damaged to only a small extent and was able to determine that the very process that had been so carefully guarded in the United States had been developed to the highest degree by the German concern and that the American company had even sent an American chemist to Germany to assist them in this work.

On July 14 the Associated Press carried an article under a headline reading as follows: "Farben plants seen as main parts of Nazi war machine." The article featured a statement by Col. Edwin Pillsbury, of the United States Army, who had directed military seizure of 24 plants of I. G. Farbenindustrie in the American zone of occupation. The article stated:

Colonel Pillsbury said investigation has disclosed that the combine controlled virtually all German chemical production, supplied the Nazis with needed foreign exchange,

engaged in industrial sabotage, checked on chemical production in every country, and hampered production outside Germany.

Then the article quoted Colonel Pillsbury in the following way:

It is one of the most amazing stories of modern times. The manner in which Farben agents gained control of certain industries and carried on a role of domination in the world's chemical industry is almost unbelievable.

Perhaps an understanding of some of these things will be a little clearer as I quote briefly from documents which I have had the privilege of perusing, which documents have been translated from German and consist of papers of the I. G. Farbenindustrie. One of these documents goes into great detail in advising all the representatives of I. G. Farben in various parts of the world as to means whereby, in case of war, the properties, patents, personnel representatives, and other assets of I. G. Farben could be protected. I shall not take the time of the House to go into complete detail about this. One quotation from this document reads as follows:

The sales apparatus of I. G. Farben abroad has been organized in such fashion that I. G. or its several affiliate companies do not openly hold shares or other interests in their agent firms.

The paper talks about arrangements "under which shares or similar interests are acquired by individuals or firms with their own means, subject, however, to an option in favor of I. G. Farben permitting I. G. to acquire the shares for itself or to have third parties acquire them." It speaks of the danger of having such holdings held by citizens of countries at war with Germany because, and I quote:

An enemy national (that is an American or British citizen) will inevitably be caught between his patriotic feeling and his loyalty to I. G. Farben.

I would like, Mr. Speaker, to underline the words "loyalty to I. G. Farben." A strange loyalty it is which this German cartel expects from citizens of other countries whose very lives are being destroyed by the products and machinations of that huge German concern. And may I say at this point, Mr. Speaker, that one of the things, which in my judgment would contribute more to the hope of future peace in the world than anything I know of, would be the complete breaking up of I. G. Farbenindustrie in all its aspects and a complete destruction of all opportunity for that huge cartel to ever exist again. I am not of course talking about essential production for the basic welfare of the German people. I am talking about I. G. Farben as it has existed in the past.

It was part of I. G. Farben's stated policy to assign ownership of its plants abroad to citizens of neutral countries, and in this connection it is significant that while the Office of Alien Property Custodian has seized only \$154,000,000 worth of known German properties, our Treasury Department has frozen assets in the amount of seven billions of dollars because of its belief that while these assets are held in the names of nationals of neutral countries they in all probability are actually German owned.

And so, Mr. Speaker, if there is one primary duty that the American section of the Allied Control Commission of Germany has, it is to see to it that Germany's war-making power is not rebuilt and above all to see that the German industrialists referred to in the Senate committee report which I have quoted, do not have another opportunity to use cartel agreements in order to hamstring the economies of the United States, Britain, France, and other countries. And yet we find that some of the very people who today hold the top positions in the work of the American Control Commission in Germany are men who either in the past or at this very moment are officials of American companies who had close connections with German companies before the war, owned factories in Germany, or had connections with some of the very German industries which the Senate committee report has warned against and which I warned against in my speech in the House on May 21.

There is no use blinking the fact, Mr. Speaker, that factory after factory built with American and British capital in Germany became very useful indeed to Hitler when he declared war. I suppose one can hardly blame American businesses for seeking markets wherever they can find them, but it is one thing to seek markets in open, honest, and fair competition and it is quite another thing to erect factories abroad in foreign countries whose main purpose is to take advantage of cheaper foreign labor and undersell products manufactured in the United States, and it is a still worse thing to enter into cartel agreements with companies in foreign countries, which cartel agreements contain provisions for a limitation of production in one's own nation.

To my mind the only type of individual who should have been given any position of authority whatsoever in connection with the machinery of control of the American zone in Germany, are men who have in the past had absolutely no connection whatsoever with any of these cartel agreements and who come from American companies which are absolutely clean from past German affiliations. I have no knowledge of any of the men whose names I will mention personally. I have no doubt that they are men who have simply done their jobs in the past in accordance with their best lights. Nor do I impute unpatriotic motives to any of them, but I do say that in the selection of policy-making personnel for the American Control Commission, men with different backgrounds should certainly have been chosen. For example, we find that the Fuel and Mining Branch of the American Group Control Council for Germany is headed by Mr. Philip Gaethke. Mr. Gaethke was formerly with the Anaconda Copper Co. and the manager for Anaconda of mines in Upper Silesia, Germany, which belonged to that company. Associated with him in the oil section is Mr. Brandon H. Grove, the former head of Socony Vacuum Co. in Rumania. This company's wells in Rumania continued to produce oil for 6 months after this country was at war with Germany. Indeed they continued to produce until after

we declared war on Rumania and certain it is that the oil produced during that 6-month period did not do the United States any good, to put the matter with extreme conservatism.

The deputy chief of the oil section of the fuel and mining branch of the American Group Control Commission for Germany is Mr. Philip Clover, who represented the Socony-Vacuum Co. in Germany between 1935 and 1939.

The chief of the conversion and liquidation branch of the American Group Control Council is Mr. Peter Hoglund, who is presently on leave from the General Motors Corp. and who was head of OPEL, the General Motors branch factory constructed in Germany some years ago and which has constituted one of the largest manufacturing plants in all of Germany, an integral part therefore of the industrial fabric of that enemy nation.

The chief of the light engineering branch of the American Group Control Council is Mr. Edward Zdunek, who was formerly manager for the General Motors Co. at Antwerp, Belgium.

Again Charles H. Powell is chief of the electrical and radio branch of the American Group Control Council. Mr. Powell has been chief of the Westinghouse Electric Co.'s foreign engineering activities, and this company entered into cartel agreements for division of export markets and other purposes with German firms and others in the period before the war.

The point I am making, Mr. Speaker, is that, whereas America is filled with competent businessmen and excellent technicians, in the instances which I have cited, and I am afraid in some other instances too, selection of men for this important job of directing the control of Germany's economic activities has been placed in the hands of men with either present or former associations with American companies which either owned outright factories and plants or mines in Germany or had close affiliations with German firms. In such instances these companies, if not the individuals, have property to protect which the Alien Property Custodian's report has pointed out can only pay dividends if Germany's economy is revived as it was before.

It seems to me that to select men with connections of this sort and to pass over the thousands of other American businessmen whose companies never had any such connections is, to put the matter very mildly indeed, a mistake which may have the most serious consequences for the future peace of the world.

The International Telephone & Telegraph Co. is an American-controlled corporation with very widespread and extensive holdings. It owns the principal telephone systems of Argentina and Spain and of many foreign countries, and the International Standard Electric Corp. has been and is the German subsidiary of International Telephone & Telegraph. On the top board of directors of the International Telephone & Telegraph has sat Lt. Gen. Kurt von Schroeder, an official of the notorious Schroeder Bank, and lieutenant general in Hitler's own SS Corps which was the

heart of the Nazi Army. And yet we find that two vice presidents of this company, by name of Kenneth Stockton and Mark Sundstrom, have been made brigadier generals in the United States Army, not to perform military duties, but for the purpose of being advisers in the American Group Control Council for Germany. Mr. Stockton is adviser to the Signal Corps. He was former head of the Paris office of International Telephone & Telegraph and chairman of the European Board of International Telephone & Telegraph, which board consisted of himself, one Hofer of the Swiss company and Westrick, the manager of the German subsidiary of I. T. & T., and the brother of the man by the same name who was deported from the United States shortly before the war for activities on behalf of the German Government.

The State Department itself protested the appointment of Mark Sundstrom in an official manner but so far as I know he is still adviser to the head of the communications division of the American Group Control Council.

And here we have a great international corporation with the most definite kind of property interests in Germany having its own vice presidents in positions of power with regard to deciding what is to be done to prevent the reconstruction of Germany's war-making power. I do not question the motives of any man, Mr. Speaker, and I have used specific names in this speech only because I felt it necessary to make my point clear. But I cannot speak too strongly against a policy which permits appointments of this character. One therefore wonders why they should happen. And may I say in this connection that I have no doubt whatsoever that our Army seeks to do the very best it can with this job. Certainly, no group of Americans have half as much interest as our Army in seeing to it that Germany does not get herself in a position to start another world war. I have no doubt either than the argument has been used that some of these men are intimately acquainted with German conditions and therefore should be used. But I think exactly the opposite argument should have been employed.

One more individual I must mention, Mr. Speaker, because apparently in his position as Deputy Chief of the Economic Division of the American Group Control Council, Civil Affairs Section of the Army, he has considerable to do with the appointments which are being made. Now, Mr. Speaker, the General Aniline & Film Co. was before the war an American subsidiary of I. G. Farben, and in this case the Alien Property Custodian took over the assets of this company at the outbreak of the war on the ground that they were enemy assets. Apparently there was not even any doubt in this particular case as there has been in some others concerning German control and ownership, and yet Mr. R. E. McConnell, who was an official of the General Aniline & Film Co. at the time it was taken over by the Office of Alien Property Custodian, is now the Deputy Chief of the Economic

Division of the American Group Control Council which I have just mentioned.

I cannot help asking the question once again, Mr. Speaker. How about all the other thousands of American businessmen and technicians whose companies have never built factories abroad, whose companies have never been involved in antitrust suits, whose officials have resisted all efforts to draw them into cartel affiliations with the Germans. Is there not good reason for recognizing such men now, for recognizing the singleness of their American purposes, for appointing them to these positions instead of giving them to men who, to put the matter with careful conservatism, must at the very least carry a burden of having to overcome a natural vested interest of their companies in a rebuilding of Germany's industrial system along the old lines and thus playing into the hands of the very German industrialists who in the words of the Senate committee report, "remain the principal custodians of Germany's plans for future war."

EXTENSION OF REMARKS

Mr. FALLON asked and was given permission to extend his remarks in the RECORD and include a letter from the secretary of the Federal Council of Churches of Christ in America.

Mr. CHAPMAN asked and was given permission to extend his remarks in the RECORD and include a letter written to Mr. Tom Wallace, editor of the Louisville Times, by J. V. Norman, attorney at law, Louisville, Ky., one of the foremost American authorities on freight rates and counsel for the Southern Governors in their recent successful freight rate litigation. This letter contains favorable comment on a bill recently introduced by the gentleman from North Carolina [Mr. BULWINKLE], relating to the rate question, which bill was drafted by Mr. BULWINKLE, with the assistance of the Legislative Counsel of the House of Representatives.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New York [Mr. LATHAM] is recognized for 5 minutes.

UNLIMITED SHIPMENT OF POINT-FREE FOODSTUFFS TO CIVILIANS IN EUROPE WITH APPROVAL OF OPA

Mr. LATHAM. Mr. Speaker, on June 27, 1945, I brought to the attention of the House the fact that one of the largest department stores in the country, located in New York City, was sending to civilians in Europe, in unlimited and uncontrolled quantities, packages containing butter, sugar, and meat, which the Secretary of Agriculture, in yesterday morning's paper, describes as desperately tight, and that this was being done with the consent of the OPA, in fact with the OPA's assistance in furnishing the necessary points to cover the food.

Since June 27, I have learned that this practice is not confined to one store or one city, but is prevalent in many stores in many cities from coast to coast. The White House, one of San Francisco's largest department stores, offers, in a full-page ad in the San Francisco Examiner on June 25, to send out of the country unlimited quantities of these

high-priority articles without points. As it states in this ad, it is "easy as A B C." Reading from the ad:

This food does not affect rations.
All packages comply completely with regulations.

You need not fill out a declaration form.
Send boxes to one person or to several persons.

Send one or several kinds.
Send a single package, or leave a standing order.

It's easy, just give us the names and addresses and we take care of the rest. Come in or order by mail.

Come in for information, for additional order blanks. We'll be glad to help you. No obligation, of course.

The order blank reads:

Please send ----- of these boxes, at ----- each, postage included, to the address below. ----- one per week, ----- one per month, or ----- State any other preferred interval.

So far, Mr. Speaker, the OPA has done nothing to remedy this disgraceful and unbelievable situation.

I charge, Mr. Speaker, that, of recent months, these shipments abroad have reached enormous proportions.

I charge that the OPA, by failure to eliminate or control these shipments is contributing to the scarcity of these articles, and thereby indirectly helping to support the black market in butter, sugar, and meat. How, Mr. Speaker, can the OPA expect the American people to shun the black market when they, themselves, encourage it by their failure to act in this matter.

I charge, also, that much of this food shipped from civilians here, without limit, to civilians in Europe, with no requirement or check as to the need of the recipients, is bound to find its way into the black market of the European countries.

I charge that this is a fraud on the American people who created the OPA to prevent shortages in this country, not to encourage them.

Mr. Speaker, I reiterate what I said in the House on June 27, that I am perfectly willing to share what we have with our needy European friends, but I cannot condone these uncontrolled, unlimited shipments of butter, sugar, and meat point-free and irrespective of need.

I am hopeful, Mr. Speaker, that our former distinguished colleague, Secretary Anderson, will put an immediate stop to this practice.

Mr. CANFIELD. Mr. Speaker, will the gentleman yield?

Mr. LATHAM. I yield.

Mr. CANFIELD. Are GI mothers and wives able to obtain these packages for home consumption?

Mr. LATHAM. No, they are not. They are not permitted to use them for home consumption.

EXTENSION OF REMARKS

Mr. PRICE of Illinois asked and was given permission to extend his remarks in the RECORD in tribute to Hon. Kent E. Keller, a former Member of the House, who has recently been appointed by the State Department to serve as special adviser to the United States Ambassador at Mexico City.

Mr. LINK asked and was given permission to extend his remarks in the RECORD and include therein an article appearing in the Chicago Sun on July 1.

Mr. O'KONSKI asked and was given permission to extend his own remarks in the RECORD.

The SPEAKER pro tempore. Under previous order of the House the gentleman from Washington [Mr. DE LACY] is recognized for 5 minutes.

MILITARY AFFAIRS COMMITTEE INVESTIGATION

Mr. DE LACY. Mr. Speaker, I notice with considerable regret the RECORD of yesterday carrying a series of charges and some substantial Red-baiting, which led to a demand by a Member that the Secretary of War and his two chief assistants, all of whom have been so helpful in the conduct of this war, should resign. I notice the answers by the distinguished gentleman from Illinois [Mr. SABATH], the distinguished gentleman from North Carolina [Mr. FOLGER], and the distinguished gentleman from Texas [Mr. THOMASON].

Mr. Speaker, there are certain facts that should be laid before the House and the country relating to the credibility of the chief investigator of the House Military Affairs Committee. Without questioning his technical competence as an investigator, I believe the House ought to know some of his past connections, because when one man passes judgment upon the political affiliations of another, it is well to know something of the man doing the investigating.

Mr. Burton, chief counsel, has something of a record in this respect. I call the attention of the House to this drawing showing Mr. Burton acting as chief counsel for the man who perhaps was No. 2 Nazi in this country, Kurt George Wilhelm Ludecke, at the time when the distinguished gentleman from Massachusetts [Mr. McCORMACK], and the distinguished gentleman from New York [Mr. DICKSTEIN], and others had their first investigation of un-American activities. Mr. Burton, as I say, was chief counsel for the man then regarded as a personal representative in this country of Adolf Hitler, whose credentials were signed according to his own admission by Dr. Alfred Rosenberg. Mr. Ludecke's job was to carry on Nazi activities in this country.

In addition to that, Mr. Burton was engaged as a special counsel for a period for the American Coalition of Patriotic Societies, an organization which embraced several respectable bodies but chiefly a whole group of—what shall I say anti-Semites, professional anti-Communist societies, among them Harry Jung's American Vigilante Intelligence Federation—and I am reading here from Mr. John Carlson's book, *Under Cover*—Mrs. Morrison's American Women Against Communism, the American Nazi Federation approved by James True; the Christian American Crusade, an anti-Semitic semireligious group in Los Angeles, and among them the Committee for Constitutional Government, in which the chief figure was Dr. Edward Rumely, convicted during the last war as an agent of Imperial Germany.

Mr. Burton became special counsel in the State of Maryland for Father Coughlin's League for Social Justice; and I submit that association with that intolerant, vicious, anti-Semitic, Red-baiting, would-be Fuehrer, Father Coughlin, could hardly be a recommendation for anybody as an investigator of the subject matter with which Mr. Burton is now entrusted. Because of this very connection with Father Coughlin's activities, Mr. Burton, I am informed, was rejected for employment with the old Dies committee. These facts and others which I am sending to the House Committee on Military Affairs in a special memorandum or letter for their further information cast doubt upon the wisdom of the inclusion yesterday in the RECORD of a long series of findings impugning the patriotism of certain officers distinguished for their bravery and meritorious service in the American Army. Some of them apparently had fought for democracy and against Mussolini and Hitler in Spain, which, in Mr. Burton's eyes, is apparently evidence of their lack of fitness to serve as officers in our own country's victorious fight against the Fascist Axis. The saving factor in all this is that the subcommittee, under the chairmanship of the distinguished gentleman from Texas [Mr. THOMASON] is treating this whole subject objectively, is proceeding factually.

Its final judgment will not be swayed by any possible bias of its investigators. It will be based on facts as to the patriotism and performance of the officers involved, not on someone's opinion of their past or present political views.

The SPEAKER pro tempore. The time of the gentleman from Washington has expired.

Under the previous order of the House, the gentleman from Illinois [Mr. SABATH] is recognized for 10 minutes.

Mr. SABATH. Mr. Speaker, what I have to say is not only, of course, for the membership present at the moment, but is for the absent Members and principally for the general American public.

Yesterday, the gentleman from Mississippi [Mr. RANKIN], in criticizing and suggesting the resignation of the Secretary of War and his two assistants made his request for their resignations first, because they allegedly sanctioned the commissioning in the Army of men who had communistic leanings, and he stated further, among other things, that committee members have been informed "that these Communists who have been commissioned in the United States Army are using their powers to indoctrinate the men in the armed forces with communistic philosophies."

Further, the gentleman based his advocacy of the resignation of the Secretary of War and his two assistants on what he termed a report of the subcommittee of the Committee on Military Affairs, when, in fact, the subcommittee made no such report, as was stated by the chairman of the subcommittee, the gentleman from Texas [Mr. THOMASON]. That assertion was made merely on a statement by H. Ralph Burton, the counsel for the committee; and even Mr. Burton's unsupported statement does not

justify the gentleman from Mississippi [Mr. RANKIN] in saying what he did.

This is what the subcommittee's hearing shows, in part:

Mr. BURTON. I have found certain persons who hold commissions and also some enlisted personnel in the Army whose backgrounds reflect communism in some form and am prepared to present the facts which have been developed thus far.

Mr. Speaker, Burton did not charge that these officers are Communists. I am pleased that the gentleman from Mississippi [Mr. RANKIN] then inserted in the RECORD a list of the names of these Army officers, a statement of their activities before the war, the great service which they have rendered during the war, and shown that some of them have been officially cited and highly commended.

The list of these men, as inserted by the gentleman from Mississippi, may be found on pages 7817, 7818, and 7819 of the CONGRESSIONAL RECORD of July 19, 1945.

I know that when the American people read the names of these Army officers, what they have accomplished, the valuable services which they have rendered to the country during the war, and the patriotism and the loyalty they have displayed toward our flag, they will resent the insinuations and charges the gentleman from Mississippi has made.

Mr. Speaker, I stated on the floor yesterday that Counsel Burton of the committee was formerly attorney for Father Coughlin, but today the gentleman from Washington [Mr. De Lacy], who preceded me, stated and showed me a reprint of a sketch photograph which shows that the committee counsel, H. Ralph Burton, as early as 1934 or 1935, appeared as an attorney for Kurt George Wilhelm Luedtke, an accredited representative of Hitler, at a hearing of the McCormack Committee to Investigate Un-American and Subversive Activities. Besides that, the gentleman from Washington [Mr. De Lacy] pointed out that Burton has been connected with other Nazi activities. Let us believe that Burton, like these officers, has now seen the light and is working for the best interests of our country. It was the original intent of the House to investigate solely the un-American activities in which the Nazi and Fascist organizations were engaged, not to go witch hunting, not to unfairly smear the innocent simply to acquire big headlines in the public press.

To be exact, the gentleman from Mississippi [Mr. RANKIN] states that "the Subcommittee on Military Affairs has made an investigation and found that many Communists have been commissioned in the United States Army over the protests of Members of Congress if not in flagrant violation of law." The subcommittee has made no such report or finding. He should have accurately stated that he was merely referring to the testimony of Burton, committee counsel, who himself may be a subject of investigation.

I regret exceedingly that the gentleman from Mississippi takes every opportunity that he can in charging communism and some of the statements that he has placed in the record border on

Nazi propaganda. He is unwittingly, as I view it, creating the same unfortunate conditions that doomed Germany and other European lands. I feel that he is unknowingly playing into the hands of the new anti-American organization that has been formed by former Senator Reynolds, in which work Reynolds is being assisted by such men as the rabble rousers Gerald K. Smith, Joe McWilliams, and many others of their ilk.

If the gentleman from Mississippi is such a loyal American and has the interests of America at heart—and he is a loyal American, having the welfare of America next to heart—I feel that he should realize and recognize that he is not promoting harmony either here or among those of the other Allied Nations. I have no desire to defend any Communists, because we have the greatest and finest form of government under the sun. Naturally I regret that we may have in this country at this time some people with unwholesome tendencies; but I remember in the past that even Socialists were attacked and maligned because they were allegedly trying to overthrow the Government. I remember Mr. Eugene V. Debs, four times a candidate of the Socialist Party for the Presidency, who, unfortunately, in the hysteria incident to war, was found guilty of seeking to overthrow our form of government, which, however, was not in his mind or heart. During this war the Nazi-Fascist ideologists have sought in every way to charge all progressives, including progressive labor leaders, with having communistic leanings, or even with being Communists, all for the purpose of creating a smokescreen to hide real Nazi and Fascist activities.

Mr. Speaker, the House committee originally created under the chairmanship of the gentleman from Massachusetts [Mr. McCormack] to investigate un-American activities, and later, unfortunately, extended under the leadership of Mr. Dies, was used, wittingly or unwittingly, by our country's enemies, namely, the Nazi representatives who worked under the leadership of such men as Sylvester Viereck and Pelley, and many so-called patriotic organizations, which were, in many instances, actually financed by Nazi agents.

Mr. Speaker, we had before the war and during the European war, and have even today, many of these Nazi and Fascist misled men and women, many of whom have been indicted and are to be tried or have been convicted. Yet they are still permitted to undermine and weaken the position of our Government in its efforts to effect the successful ending of the Asiatic war and in every way possible aim to create disunity among the United Nations.

I will insert now the names of only a small number that come to my mind of these men and women and the names of the organizations with which they are affiliated, many of whom were seditiously and openly active before the war and who now continue their activities and propaganda of un-Americanism and subversion, as follows:

INDIVIDUALS

Friedrich H. Auhagen, L. M. Birkhead, William R. Castle, Patrick Coyne, L. Ingalls, E. A.

Rumely, Lawrence Dennis, Heinrich Dieckhoff, Ernest Elmhurst, Fritz Gissibl, William J. Grace, Ignatz T. Griebel, Merwin K. Hart, Joseph Hartery, Conrad Henlein, Joseph P. Kamp, Grace Keefe, James Keeling, John Eoghan Kelly, August Klapprott, Fritz Kuhn, Gerhart Wilhelm Kunze, John J. McNaboe, Joseph Ellsworth McWilliams, Oswald Mosley, Carl H. Mote, Fritz Wiedemann, George E. Deatherage, Elizabeth Dilling, Robert Edward Edmondson, William Griffin, Charles B. Hudson, William Kullgren, William Dudley Pelley, Eugene Nelson Sanctuary, Edward James Smythe, Count Cherep Spiridovich, Ralph Townsend, James True, Gerald B. Winrod.

ORGANIZATIONS

American Guard; American Mothers; American Nationalist Party; American Peace Mobilization; Christian American Crusade; Christian Aryan Syndicate; Christian Front; Christian Front (New England); Citizens Keep America Out of War Committee; Citizens No Foreign War Coalition; Citizens Protective League; Crusader White Shirts; Crusaders of Americanism, Inc.; Crusaders for Economic Liberty; Friends of New Germany; German American Business League; German-American Folk Union; German-American National Alliance; German National Alliance; German Railway Information Office; Germania Bookstore; National Gentile League; National Keep America Out of War Committee; National Union for Social Justice; No Foreign War Committee; Paul Revere Sentinels; Czarist Russia.

PUBLICATIONS

The American Gentile; American Patriot; Anti-War Crusader; The Blackshirt; Destiny; Deutsche Revolution; Deutscher Weckruf und Beobachter (also known as the Free American); Fichte-Bund, Deutscher; Gentile Front.

Mr. Speaker, this is only a partial list of men, women, and organizations that I hope the Subcommittee of the Committee on Military Affairs and the gentleman from Mississippi [Mr. RANKIN] will begin and continue to investigate instead of the nonexistent communistic activities, as they are of much greater danger to our country than the so-called communistic activities that the gentleman from Mississippi is fearful of.

I do not wish to delay those that are here, but I am not speaking solely to them; as I have said, I am speaking for the RECORD; so I ask unanimous consent to revise and extend my remarks and to include therein the names of some of those who have, and most of whom are still, actively engaged in un-American activities and also the names of some of the societies and organizations to which they belong, and the publications for which they write.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

EXTENSION OF REMARKS

Mr. PATTERSON (at the request of Mr. De Lacy) was given permission to extend his remarks in the RECORD.

Mr. RAMSPECK asked and was given permission to extend his remarks in the RECORD on the subject of freight rates and to include certain excerpts and quotations therein.

ENROLLED BILL SIGNED

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House

of the following title, which was thereupon signed by the Speaker:

H. R. 1308. An act for the relief of Sam Swan and Ally Swan.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 592. An act for the relief of the estate of James Arthur Wilson, deceased; and

S. 714. An act to amend the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", as amended.

JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee did on Thursday, July 19, 1945, present to the President, for his approval a bill of the House of the following title:

H. J. Res. 98. Joint resolution relating to the marketing of fire-cured and dark air-cured tobacco under the Agricultural Adjustment Act of 1938, as amended.

ADJOURNMENT

Mr. RAMSPECK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 1 minute p. m.) the House adjourned until tomorrow, Saturday, July 21, 1945, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

617. A letter from the Clerk of the House of Representatives, transmitting the papers with regard to the election of Hon. GEORGE A. DONDERO, Congressman-elect of the Seventeenth District of Michigan, transmitted to the House by John W. L. Hicks (H. Doc. No. 264); to the Committee on Elections No. 3 and ordered to be printed.

618. A letter from the Secretary of the Interior, transmitting a draft of a proposed bill to transfer certain property from the War Relocation Authority to the Colorado River Indian tribes and the Office of Indian Affairs, and for other purposes; to the Committee on Indian Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BOYKIN: Committee on Patents. H. R. 3756. A bill to require the recording of agreements relating to patents; without amendment (Rept. No. 932). Referred to the Committee of the Whole House on the State of the Union.

Mr. BOYKIN: Committee on Patents. H. R. 3757. A bill to provide for the public registering of patents available for licensing; without amendment (Rept. No. 933). Referred to the Committee of the Whole House on the State of the Union.

Mr. RANKIN: Committee on World War Veterans' Legislation. H. R. 3644. A bill to amend the Veterans Regulations to provide additional rates of compensation or pension and remedy inequalities as to specific service-incurred disabilities in excess of total disability; with amendment (Rept. No. 934). Referred to the Committee of the Whole House on the State of the Union.

Mr. JARMAN: Committee on Printing. House Resolution 330. Resolution authorizing the Special Committee on Postwar Economic Policy and Planning of the House of Representatives to have printed for its use additional copies of part 5 of the hearings held before said special committee during the second session of the Seventy-eighth Congress and the current session, without amendment (Rept. No. 935). Referred to the House Calendar.

Mr. JARMAN: Committee on Printing. House Resolution 322. Resolution authorizing that the Fifth Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance Trust Fund be printed, with an illustration as a House document; without amendment (Rept. No. 936). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. RANDOLPH:

H. R. 3860. A bill to promote the progress of science and the useful arts; to secure the national defense; to advance the national health, prosperity, and welfare; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BLAND:

H. R. 3861. A bill to provide special rules for preventing collisions of vessels navigating the Gulf Intracoastal Waterway and certain rivers and inland waters emptying into the Gulf of Mexico, and for other purposes; to the Committee on the Merchant Marine and Fisheries.

By Mr. COCHRAN:

H. R. 3862. A bill to provide for the establishment in the city of St. Louis, Mo., of a suitable memorial museum to contain material commemorative of World War II; to the Committee on Military Affairs.

By Mr. FALLON:

H. R. 3863. A bill to make imported merchandise subject to the same internal revenue taxes as similar merchandise of domestic origin; to the Committee on Ways and Means.

By Mrs. NORTON:

H. R. 3864. A bill to establish the office of Under Secretary of Labor, and three offices of Assistant Secretary of Labor, and to abolish the existing office of Assistant Secretary of Labor and the existing office of Second Secretary of Labor; to the Committee on Labor.

By Mr. PETERSON of Florida:

H. R. 3865. A bill to provide for the acquisition by exchange of non-Federal property within areas administered by the National Park Service; to the Committee on the Public Lands.

By Mr. JONES:

H. R. 3866. A bill to correct an inequity existing in the case of holders of adjusted-service certificates who did not accept payment in bonds under the Adjusted Compensation Payment Act, 1936; to the Committee on Ways and Means.

By Mr. RANDOLPH:

H. R. 3867. A bill to amend the Code of Laws for the District of Columbia with respect to the making and publishing of annual reports by trust companies; to the Committee on the District of Columbia.

H. R. 3868. A bill to provide that veterans may obtain copies of public records in the District of Columbia, without the payment of any fees, for use in presenting claims to the Veterans' Administration; to the Committee on the District of Columbia.

H. R. 3869. A bill to effectuate the intent of the Congress as expressed in section 1, paragraph (k) of Public Law 846, Seventy-

seventh Congress, approved December 24, 1942, by adding to the list of institutions named in said paragraph the name of the Carnegie Endowment for International Peace, an institution similar to the institutions so named; to the Committee on the District of Columbia.

By Mr. ENGLE of California:

H. R. 3870. A bill to name the dam at the Upper Narrows site on the Yuba River, in the State of California, the Harry L. Englebright Dam; to the Committee on Rivers and Harbors.

By Mr. WALTER:

H. R. 3871. A bill authorizing the appointment of an additional judge for the district of Kansas; to the Committee on the Judiciary.

By Mr. RANDOLPH:

H. R. 3872. A bill to provide for the taxation of rolling stock of railroad and other companies operated in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

H. R. 3873. A bill to provide for the opening of a road within the boundaries of the District of Columbia Training School property in Anne Arundel County, Md.; to the Committee on the District of Columbia.

By Mr. BARTLETT:

H. R. 3874. A bill to authorize an appropriation for the establishment of a geophysical institute at the University of Alaska; to the Committee on the Territories.

H. R. 3875. A bill to provide that judges of the District Court for the Territory of Alaska shall hereafter be appointed to hold their offices during good behavior; to the Committee on the Judiciary.

By Mr. WHITE:

H. R. 3876. A bill relating to the operation, subject to supervision under the Packers and Stockyards Act, of scales used in weighing livestock. In order to simplify the determination of the number, grade, weight, and price of livestock sold the several markets so that the producer can secure direct payment of price subsidy paid by the Federal Government; to the Committee on Coinage, Weights, and Measures.

By Mr. LUDLOW:

H. Res. 331. Resolution urging an immediate international agreement to eliminate compulsory military service from the policies and practices of all nations, and for a referendum on war; to the Committee on Military Affairs.

MEMORIALS

Under clause 3 of rule XXII, a memorial was presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Alabama memorializing the President and the Congress of the United States to dedicate January 30, the birthday of Franklin Delano Roosevelt, as a national holiday; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANDREWS of Alabama:

H. R. 3877. A bill for the relief of Carey Jones; to the Committee on Claims.

By Mr. BENNETT of Missouri:

H. R. 3878. A bill for the relief of Oscar M. Schlib; to the Committee on Claims.

By Mrs. DOUGLAS of California:

H. R. 3879. A bill for the relief of Gladys McCall and Anna Mae Laws; to the Committee on Claims.

H. R. 3880. A bill for the relief of Nicholas Ray Schlegel; to the Committee on Claims.

H. R. 3881. A bill for the relief of Mayer Goldman; to the Committee on Claims.

By Mr. PATRICK:

H. R. 3882. A bill granting an increase of pension to James L. Huston; to the Committee on Pensions.

By Mr. PFEIFER:

H. R. 3883. A bill for the relief of Antonio Pinna; to the Committee on Immigration and Naturalization.

H. R. 3884. A bill for the relief of Domenico Grillo; to the Committee on Immigration and Naturalization.

By Mr. ROGERS of New York:

H. R. 3885. A bill to authorize the cancellation of deportation proceedings in the case of Antonios Apostolis Malles; to the Committee on Immigration and Naturalization.

H. R. 3886. A bill to authorize the cancellation of deportation proceedings in the case of Apostolos Vasilis Perkas; to the Committee on Immigration and Naturalization.

PETITIONS, ETC.

Under clause 1 of rule XXI, petitions and papers were laid on the Clerk's desk and referred as follows:

1105. By Mr. COCHRAN: Petition of J. A. Paugh and 307 other citizens of Missouri, protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

1106. Also, petition of Charles Ward and 810 other citizens of Missouri, protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

1107. By the SPEAKER: Petition of the city council, city of Portland, Oreg., petitioning consideration of their resolution with reference to enlargement of the veterans' hospital and facilities at Portland, Oreg.; to the Committee on World War Veterans' Legislation.

1108. Also, petition of the board of directors of the Pawhuska Chamber of Commerce, Pawhuska, Okla., petitioning consideration of their resolution with reference to cooperative associations; to the Committee on Ways and Means.

1109. Also, petition of the Kern County Chamber of Commerce, Bakersfield, Calif., petitioning consideration of their resolution with reference to an independent foreign policy, a Kern River Valley Authority, a Kern River University, and Kilowatt College, and the scrapping of the charter; to the Committee on Foreign Affairs.

SENATE

SATURDAY, JULY 21, 1945

(Legislative day of Monday, July 9, 1945)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

Rev. C. E. Hawthorne, D. D., minister, Wallace Memorial United Presbyterian Church, Washington, D. C., offered the following prayer:

Almighty God, our Heavenly Father, we lift our hearts in praise to Thee. Thou art our God and the God of our Nation. History tells its continuing story of the matchless grace and mercy of God, extended to us from the beginning of our Nation until now. Thou hast guided, kept, and strengthened us. Thou art worthy to be praised, and we render to Thee our hearts' devotion.

On this new day we pray Thy blessing upon the President of the United States. Give him and those that counsel with him wisdom and strength, and may the

directing hand of God be felt in every decision that is made. With gratitude to Thee for the success of our arms, we commit the welfare of our forces to Thee this day. Give strength and protection and dea. in mercy, we pray. Guide now this body in all its deliberations. May the wisdom of the Lord be given to each Member. And in all that we do, may Thy name be glorified. We ask this in the name of our Lord Jesus Christ. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Friday, July 20, 1945 was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. BARKLEY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gurney	Morse
Andrews	Hart	Murdoch
Austin	Hatch	O'Daniel
Ball	Hawkes	O'Mahoney
Barkley	Hayden	Radcliffe
Blibo	Hickenlooper	Revercomb
Brewster	Hill	Robertson
Briggs	Hoey	Russell
Brooks	Johnson, Colo.	Shipstead
Burton	Johnston, S. C.	Smith
Bushfield	Kilgore	Taft
Butler	La Follette	Taylor
Capehart	Langer	Thomas, Okla.
Capper	Lucas	Thomas, Utah
Chavez	McCarran	Tunnell
Cordon	McClellan	Vandenberg
Donnell	McFarland	Wagner
Downey	McKellar	Walsh
Eastland	Magnuson	Wheeler
Ellender	Maybank	Wherry
Ferguson	Mead	White
Fulbright	Millikin	Young
George	Mitchell	
Green	Moore	

Mr. HILL. I announce that the senior Senator from Virginia [Mr. GLASS] is absent because of illness.

The Senator from Florida [Mr. PEPPER] is necessarily absent.

The Senator from North Carolina [Mr. BAILEY], the Senator from Alabama [Mr. BANKHEAD], the Senator from Virginia [Mr. BYRD], the Senator from Kentucky [Mr. CHANDLER], the Senator from Texas [Mr. CONNALLY], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Montana [Mr. MURRAY], the Senator from Louisiana [Mr. OVERTON], and the Senator from Maryland [Mr. TYDINGS] are absent on important public business.

The Senator from Tennessee [Mr. STEWART] is absent on important business at the Veterans' Administration.

Mr. WHERRY. The Senator from New Hampshire [Mr. BRIDGES], the Senator from Kansas [Mr. REED], the Senator from New Hampshire [Mr. TOBEY], and the Senator from Iowa [Mr. WILSON] are absent on official business.

The Senator from Idaho [Mr. THOMAS] is absent because of illness.

The Senator from Massachusetts [Mr. SALTONSTALL] and the Senator from Delaware [Mr. BUCK] are necessarily absent.

The PRESIDENT pro tempore. Seventy Senators have answered to their names. A quorum is present.

DEDUCTION IN COMPUTING TAXES OF EXPENSES OF INTANGIBLE DRILLING AND DEVELOPMENT COSTS

The Senate resumed the consideration of the concurrent resolution (H. Con. Res. 50), which reads as follows:

Resolved, etc., That in the public interest the Congress hereby declares that by the reenactment, in the various revenue acts beginning with the Revenue Act of 1918, of the provisions of section 23 of the Internal Revenue Code and of the corresponding sections of prior revenue acts allowing a deduction for ordinary and necessary business expenses, and by the enactment of the provisions of section 711 (b) (1) of the Internal Revenue Code relating to the deduction for intangible drilling and development costs in the case of oil and gas wells, the Congress has recognized and approved the provisions of section 29.23 (m)-16 of Treasury Regulations 111 and the corresponding provisions of prior Treasury regulations granting the option to deduct as expenses such intangible drilling and development costs.

The PRESIDENT pro tempore. The question is on agreeing to House Concurrent Resolution 50, upon which the yeas and nays have been ordered, and upon which, under the agreement of yesterday, no further debate is in order. The clerk will call the roll.

The legislative clerk called the roll.

Mr. BUTLER. I have a pair with the senior Senator from Alabama [Mr. BANKHEAD]. Not knowing how he would vote, I withhold my vote.

Mr. BARKLEY. I announce that the senior Senator from Texas [Mr. CONNALLY] is unavoidably absent. If present, he would vote "yea."

Mr. WAGNER. I have a general pair with the Senator from Kansas [Mr. REED]. Not knowing how he would vote, I transfer that pair to the Senator from Pennsylvania [Mr. GUFFEY], who, if present, would vote "yea." I vote "yea."

Mr. THOMAS of Utah. I have a general pair with the Senator from New Hampshire [Mr. BRIDGES]. Not knowing how he would vote, I transfer that pair to the Senator from Connecticut [Mr. McMAHON], who, if present, would vote "yea." Being at liberty to vote, I vote "yea."

Mr. BARKLEY. The Senator from Florida [Mr. PEPPER] is unavoidably absent. I am advised that if present and voting, he would vote "yea."

I further announce that the Senator from Virginia [Mr. GLASS] is detained by illness.

The Senator from Alabama [Mr. HILL] and the Senator from Georgia [Mr. RUSSELL] are absent on business in Government departments pertaining to their respective States.

The Senator from Tennessee [Mr. STEWART] is absent on important business at the Veterans' Administration.

The Senator from North Carolina [Mr. BAILEY], the Senator from Alabama [Mr. BANKHEAD], the Senator from Virginia [Mr. BYRD], the Senator from Kentucky [Mr. CHANDLER], the Senator from Rhode Island [Mr. GERRY], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Connecticut [Mr. McMAHON], the Senator from Montana [Mr. MURRAY], the Senator from Pennsylvania [Mr. MYERS], the Senator from Louisiana [Mr.